

## **RESOURCES OVERVIEW AND SCRUTINY PANEL**

**THURSDAY 16 FEBRUARY 2012 AT 10.00AM**

**PRESENT:** Councillor Layden (Chairman), Councillors Bainbridge, Bowditch, S Bowman, Hendry and Whalen.

**ALSO PRESENT** Councillor Ellis – Performance and Development Portfolio Holder

### **ROSP.09/12 APOLOGIES FOR ABSENCE**

Apologies for absence were submitted on behalf of Councillors Allison and Watson, Councillor J Mallinson, Governance and Resources Portfolio Holder, Dr Gooding, Town Clerk and Chief Executive and Mr Mason, Director of Resources.

### **ROSP.10/12 DECLARATIONS OF INTEREST**

There were no declarations of interest affecting the business to be transacted at the meeting.

### **ROSP.11/12 PUBLIC AND PRESS**

Following receipt of a letter from a resident the Chairman advised that, after seeking legal advice, Report RD.92/11 would be considered in Part B of the meeting as it contained commercially sensitive information. In future it would be recommended that a report be prepared for consideration in the public part of the meeting with a second report containing sensitive information for consideration in the private part of the meeting. In the meantime the Chairman stated that an Officer would write to the correspondent providing a copy of the redacted report

Members were concerned that they did not always have sufficient information to answer questions from residents. Whilst they understood the sensitivity of some information it was important that Councillors had the relevant information to enable them to answer residents' queries.

### **ROSP.12/12 MINUTES OF PREVIOUS MEETINGS**

**RESOLVED** – That the minutes of the meeting held on 5 January 2012 be noted.

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

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

## **ROSP.14/12      OVERVIEW REPORT AND WORK PROGRAMME**

The Overview and Scrutiny Officer (Mrs Edwards) presented report OS.07/12 which provided an overview of matters that related to the work of the Resources Overview and Scrutiny Panel's work.

Mrs Edwards reported:

- The Forward Plan of Executive Key Decisions, covering the period 1 February to 31 May 2012 had been published on 18 January 2012 and there were no items in the Forward Plan within the remit of this Panel.
- The first meeting of the Shared Services Task and Finish Group had been held on 23 January 2012 to enable the Group to scope their review. Members agreed to formally approve the scoping document that had been attached to the report. It had been anticipated that a report on Shared Services would be submitted to the Panel. However, Mrs Edward had been informed that the report was not available and that a full report on the three shared services would be submitted to the Panel for consideration at their meeting on 29 March 2012. The Chairman advised that he had attended the last Community Overview and Scrutiny Panel meeting where information on the Revenues and Benefits shared service had been received. That information would be incorporated into the full report.
- Work had begun on the Annual Scrutiny Report and all Scrutiny Members had been asked for their input. The Panel were given a further opportunity to submit any issues and a draft copy of the Report would be considered by the Panel at its meeting on 29 March 2012.

A Member stated that he had found it difficult on occasion to meet with Officers to discuss issues that were on the work programme. The Deputy Chief Executive (Mr Crossley) informed the Panel that Directors would look at any difficulties of which Members advised them in relation to contact with Officers.

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

2) That the Scoping Document for the Shared Services Task and Finish Group be approved.

## **ROSP.15/12      SICKNESS ABSENCE 2011/12**

The Deputy Chief Executive (Mr Crossley) submitted report CE.06/12 providing information about the City Council's sickness absence in 2011/12.

Mr Crossley highlighted the number of working days lost due to sickness absence per full time equivalent (FTE) employee from April to December 2011 and an estimated projection for all of 2011/12.

He informed the Panel that the national local government average in 2011 was 12.3 days per FTE. The Council was experiencing year on year increase in sickness absence and if the sickness levels continued at the current rate until the end of the financial year the Council would be 10% under the national average. Due to the continuing increase sickness absence had escalated to the Corporate Risk Register.

Mr Crossley informed the Panel that a Lean Systems Review of sickness had begun. The key elements of the review were to:

- Review the Sickness Absence Policy including consultation of staff and managers
- Conduct an analysis of the processes involved in sickness absence with the aim of streamlining and the reduction of 'waste.' Other organisations' processes would be considered.
- Improve the reporting and input of sickness absence to ensure timely and accurate information was always available
- Provide a consistent and fit for purpose approach to reporting sickness absence levels to Overview and Scrutiny, Senior Management Team and managers

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

*How many members of staff were affected and what was the overriding reason for sickness?*

Mr Crossley advised that the figures related to all members of staff and that the main reasons for sickness were coughs and colds, muscular/skeletal problems and work related stress. He was not sure of the percentages per directorate but agreed to include those in future reports.

In response to a question from a Member Mr Crossley confirmed that the figures included members of staff from Allerdale and Copeland who were employed as part of the Revenues and Benefits shared service.

Members requested that additional columns be added to include numbers and percentages within each department. A Member stated that he would like to see an indication of the separate figures for staff in Revenues and Benefits shared service in Carlisle, Allerdale and Copeland along with the reasons for sickness and how it was being managed. Mr Crossley believed it would be interesting to have discussions on how to manage sickness absence, and that some of the issues may have been inherited but those staff were now the responsibility of the City Council. Mr Crossley confirmed that the figures would be included in the future reports.

*At the last Community Overview and Scrutiny Panel meeting there was a reference to the dissatisfaction of staff within shared services in other areas. That may be skewing the figures for Carlisle.*

*Do we know the causes of sickness and how is it being dealt with?*

Mr Crossley explained that the figures included short and long term sickness absence and managers had sufficient information to deal with individuals and track patterns of absence. Managers had information about procedures and policies but it was more important to know how managers were tackling incidents of sickness. That could be done through training, return to work interviews and support for people on long term sickness absence as there was an impact on costs and service delivery.

The Performance and Development Portfolio Holder advised that Carlisle City Council's figures were slightly better than the national average and other authorities but they had to improve. Mr Crossley explained that the figures could be demonstrated in quartiles but that there may some delay in obtaining that information. He added that while Carlisle were not in the top quartile they were better than average.

*Members had to accept that this year had been particularly bad for coughs and colds. Would there be any merit in focussing on the two highest causes of sickness absence or was equal attention given across the departments?*

Mr Crossley explained that the policy was dealt with evenly across the directorates but there were distinctions within work areas. Directors were focussed on those differences and where to put the attention by encouraging managers and staff to work together.

*If a workshop on managing sickness were held would there be more focus on some managers to attend than others?*

The Organisational Development Manager (Ms Titley) advised that training was provided for specific work eg manual handling for certain departments to reduce muscular/skeletal injuries. Mr Crossley explained that a breakdown of short/long term sickness absence would be complex and added that a directorate such as Community Engagement suffered more slips, trips and falls than an office based directorate.

*Could the Council work with the Trades Unions to improve health and well-being of staff and make savings by making use of their knowledge and expertise?*

Ms Titley advised that she was working with the Trades Unions and meetings had taken place at Pirelli's involving the Trades Unions looking at smoking awareness, stress and cancer prevention. The City Council had also run a men's health project.

*Members were concerned whether sickness absence was declared and handled in the right way. Was the recording of sickness absence appropriate to allow managers to take action?*

The Performance and Policy Officer (Mr Oliver) explained that Lean Systems Reviews was a methodology to look at processes and procedures in areas of

work to improve performance. Part of that review would look at sickness absence and how it was reported. It was anticipated it would help with long term sickness absence and the triggers for sickness absence.

RESOLVED – that a report be submitted to the Panel in June including reasons for absence, numbers of staff in each directorate, breakdown of shared service proportions, suggested remedies and an indication of how the City Council compared to other authorities.

## **ROSP.16/12            CORPORATE PLAN – THIRD QUARTER PERFORMANCE REPORT**

The Policy and Performance Officer (Mr Oliver) submitted the third quarter performance report (PPP.02/12) against the 2011/12 Corporate Plan. He summarised the progress made in the delivery of each of the Corporate Plan Key Actions as detailed in Section 3 of the report, together with the further detail provided in Section 4 thereof.

Mr Oliver advised that the content of the report had been determined by the Senior Management Team on 24 January 2012 and the Key Action Red, Amber, Green (RAG) ratings were assessed by the relevant Director. He added that the RAG rating and associated progress columns referred to work that was being carried out during 2011/12. It may be that the Key Action would be carried forward into 2012/13 but the rating and percentage were based on this year's activity.

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

*How receptive were the Executive to suggestions from Members? The Member had suggested input into the Carlisle festival and that was not included in the events agenda.*

The Deputy Chief Executive (Mr Crossley) advised that the issue was about dialogue with Members. The Executive supported many different events some of which were historical but there had been changes in recent years to the type of events proposed. If there were a large number of events proposed the Executive would prioritise them before making a decision. Mr Crossley suggested that the Member speak with the Director of Community Engagement and his team.

There was discussion about Neighbourhood Forums and methods available for people to submit grants for projects.

*A Member suggested that there should be more Member involvement in developing Performance Indicators and that there should be more detail about how projects were progressing included in the report.*

The Performance and Development Portfolio Holder advised that shared services had been discussed at the meeting of the Community Overview and

Scrutiny Panel and was attended by the Shared Revenues and Benefits Services Partnership Manager. Mr Crossley suggested that Members could gain more information by speaking directly with Officers.

*The Performance Indicators showed a good record for Council Tax collection. Was that due to people paying by Direct Debit?*

Mr Oliver advised that residents had been encouraged to pay by Direct Debit. The Performance and Development Portfolio Holder explained that there were 2 different figures relating to Council Tax and that Carlisle City Council's figures were comparable to similar authorities.

*Had there been an increase in the number of debts that had to be written off and had the economic downturn affected the figures? Write off of business debts did not receive the same publicity as private but involved large sums of money. What was the most recent position?*

Mr Crossley advised that he was not sure of those figures but would look into it and inform the Panel. With regard to business debt write offs Mr Crossley explained that a quarterly report was submitted to the Executive that included that information. The Performance and Development Portfolio Holder added that if a business became bankrupt and had no assets the City Council would not be able to recover the debts.

RESOLVED – 1. That the report be noted.

## **ROSP.17/12                      ORGNISATIONAL DEVELOPMENT PLAN REPORT**

The Organisational Development Manager (Ms Titley) submitted report CE.05/12 which set out key objectives, outcomes for employees, key actions and measures of success for organisational development issues.

Ms Titley explained that the priorities in the Organisational Development (OD) Plan were based on those in the Local Government Workforce Strategy 2010 and included organisational development, leadership development, skills development, recruitment, recruitment and retention and recognition and reward.

She informed the Panel that the annual employee opinion survey took place from 12 January to 3 February 2012 and the results would be reported to the Senior Management Team, staff, the Consultative Joint Committee and Resources Overview and Scrutiny Panel at their meeting in March.

She outlined the progress made against each of the priorities highlighting the success of the Institute of Leadership and Management (ILM) Level 3 Award and the range of NVQs that had been offered to staff. She also highlighted the success of the Council's e-learning site which had been launched in December 2011.

Ms Titley reported that staff from the City Council would be attending the 'Disability and Benefits of a Diverse Workforce' workshop on 24 February 2012 at Carlisle United. The aim of the workshop was to raise disability awareness among employers and demonstrate a diverse workforce benefits organisations. She then outlined the progress made with regard to the apprenticeships within the Council and the health and wellbeing initiatives taking place within the authority. Miss Titley advised that the Health and Safety Manager (Mr Majhi) was working with Copeland and Allerdale with a view to holding health and well-being courses for shared services staff in those authorities.

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

*Publicising the Healthy Heart event to coincide with Valentine's Day was a great idea.*

*How many people had taken up courses on the e-learning site?*

Due to the way visitors to the site was recorded it was difficult to say how many people had visited the site but that information would be available to be included in the report to the Panel in June.

*How were staff selected to attend the workshop on Disability and Benefits of a Diverse Workshop? And what would be the impact of that workshop on the remainder of staff?*

Ms Titley advised that the workshop was being delivered by the Chamber of Commerce and only two people per organisation could attend the workshop, so after consultation with the Personnel Manager it was decided that Ms Titley and an officer from Economic Development attend. She advised that she would work with the Personnel Manager on the recruitment of people with disabilities. Ms Titley confirmed that she would pass any relevant information to the Personnel Manager and report back to the Panel in June.

*What had been the uptake of the Cycle to Work Scheme and was the scheme open to Councillors?*

Ms Titley explained that the scheme had not yet been launched but that further research into cycle to work scheme had been approved by the Employment Panel as it was a staff benefit. It was hoped that the scheme would be launched before the summer. With regard to Members being included in the scheme Ms Titley advised that she would investigate and report back in June.

*Members queried why such schemes were not submitted to scrutiny panels for consideration.*

Ms Titley stated that the schemes were considered by the Employment Panel as they were a staff benefit but added that they could also be submitted to scrutiny panels for consideration.

*How many people had purchased additional holidays from the holiday purchase scheme?*

Ms Titley believed that approximately 18 people had signed up for the scheme. The scheme for the current year had just started and Ms Titley confirmed that she would inform Members of take up at the meeting in June.

*How many disabled people were employed by the authority?*

Mr Oliver stated that he did not have that information with him but would forward the information to the Member after the meeting.

*Were staff appraisals used to develop the framework for skills development?*

Ms Titley informed Members that a team appraisal scheme had been introduced in 2011 but staff could still request an individual appraisal in addition to taking part in a team appraisal. Information from those reports was used to determine the need for skills in directorates. Some departments needed specific skills training such as manual handling for refuse collectors.

*One of the courses mentioned in the report was safeguarding children. Which staff would need that training?*

Ms Titley advised that any staff who worked with children would have to undertake that training. Staff involved in recruitment also undertook the training to ensure safer recruitment of people working with children. Ms Titley confirmed that Members were welcome to attend training sessions. Notification of training was included in the Members' Newsletters. Members also received training through the Member Learning and Development Working Group. Special workshops could be arranged for Members if required.

*A Member asked Ms Titley to explain the section in the report that referred to flexible working plans.*

Ms Titley stated that that work had not yet started but would be undertaken later in the year.

RESOLVED – That the report be noted with thanks.

**ROSP.18/12                      TRANSFORMATION BOARD – DRAFT TERMS OF REFERENCE**

The Deputy Chief Executive (Mr Crossley) submitted report SD.03/12 containing the terms of reference of the newly formed Transformation Board.

Mr Crossley reported that the Transformation Board had been formed in late 2011 in response to the developing array of transformational activities. The purpose of the Board was to develop, co-ordinate and manage transformation



activity across the Council and ensure that service improvements and savings were delivered in line with the Corporate Plan and Medium Term Financial Plan. The Board was chaired by the Deputy Chief Executive.

Mr Crossley outlined the terms of reference and make-up of the board and suggested that reports be submitted every six months.

In considering the terms of reference Members raised the following comments and questions:

*Submission of reports every six months seemed reasonable. If there were issues in between would they be received by the Panel for consideration?*

Mr Crossley advised that would be the case and that the main challenge would be how the work fell between the Panels. However that would be an issue for the Scrutiny Chairs Group to determine.

There was discussion on the reduction in funding from Government to local authorities.

RESOLVED – 1) That the terms of reference for the Transformation Board as set out in report SD.03/12 be agreed;

2) That reports be submitted to the Panel on a six monthly basis.

## **ROSP.19/12                    CAPITAL BUDGET OVERVIEW AND MONITORING REPORT – APRIL TO DECEMBER 2011**

The Financial Services Manager (Miss Taylor) submitted report RD.83/11 on the budgetary position of the City Council's capital programme for the period April to December 2011. She outlined for Members the overall budget position of the various Directorates and the financing of the 2011/12 Capital Programme, details of which were set out in the report.

She further commented upon performance against the 2011/12 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 Project Assurance Group 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, Miss Taylor 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:

*A Member was concerned about the £4m underspend indicated in the report. Were officers looking at ways to reduce underspends in the future? Members were aware that the Council had been criticised in the past by Audit for allowing underspends.*

Miss Taylor advised that capital projects were constantly monitored and the key issue was to set the project budget profiles correctly. That was being improved continuously.

Mr Crossley added that some of the carry forward within Economic Development had been set aside to undertake some remediation work and the women and children's hostel.

*What work was intended for the Old Town Hall?*

Miss Taylor explained the funding for the proposed work and advised that a report would be considered by the Executive at a future meeting.

*The report referred to "uncontrollable factors". What were they?*

Ms Taylor advised that it was planned improvement works to Council buildings. She stated that she could send the information to Mrs Edwards to be circulated to Members. However, the Project Assurance Group progress report would be an agenda item for the next meeting. Miss Taylor confirmed that Members' comments would be included in that report.

The Performance and Development Portfolio Holder advised that the budget allocated to industrial estates was for work that had gone out to tender following consideration by a recent Executive meeting. He added that the decision was late due to debate about how things could be done in a better way.

The Consultant Surveyor (Mr Walshe) advised that the work had been ongoing for some time and the main issue had been an agreement with the County Council but he believed that had now been achieved.

There was discussion about the maintenance and repair of the Irishgate Bridge.

RESOLVED – That the report be noted.

## **ROSP.20/12                      REVENUE BUDGET OVERVIEW AND MONITORING REPORT – APRIL TO DECEMBER 2011**

The Financial Services Manager (Miss Taylor) submitted the Revenue Budget Overview and Monitoring Report for April to December 2011 (RD.84/11). She outlined the overall budgetary position and the monitoring and control of expenditure against budget allocations, together with the exercise of virement

on a regular basis. She further provided an explanation of balance sheet management issues, a number of high risk budgets, performance management and progress against the Comprehensive Spending Review efficiency statement. The overall position, based on current projections, was a deficit.

She highlighted and reported on a number of key issues, including the Salary Turnover Savings Budget, budgets for staff recruitment, the likely income shortfall in rent received from the Lanes during 2011/12, spiralling fuel costs, continuing shortfall on Development Control fees, the requirement to close the John Street Hostel and re-house clients in other accommodation, and a new prioritisation system for Disabled Facilities Grants. Details of the main variances in the Directorates' budgets were also set out in the report.

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

*The Chairman read out a letter from Councillor Allison who had submitted apologies to the meeting. He asked whether investment from the sale of assets could be used to pay off the £15m loan early, including the penalty charge, rather than investing the money and paying off the loan in 2020.*

Miss Taylor had provided the information to a previous Resources Overview and Scrutiny Panel and agreed to provide a written response to Councillor Allison after the meeting.

*That issue had been a concern over a number of years. A Member had met with the Director of Resources (Mr Mason) who had provided a full explanation of the issue. The Member suggested that Miss Taylor should forward that information to all Members.*

*A Member had met with the Chief Executive (Dr Gooding) and Mr Mason who had explained all the options available to the Council and he was satisfied that the actions the Council were taking were the most prudent.*

RESOLVED – 1. That the report be noted.

2. That information regarding the £15m loan be circulated to all Members.

## **ROSP.21/12 PUBLIC AND PRESS**

RESOLVED – That in accordance with Section 100A(4) of the Local Government Act 1972 the Public and Press were excluded from the meeting during consideration of the following items of business as the report contained information relating to the financial or business affairs of any particular person (including the authority holding that information) as defined in the paragraph number (as indicated in brackets against the minutes) of Part 1 of Schedule 12A of the 1972 Local Government Act.

**ROSP.22/12**

**ASSET REVIEW BUSINESS PLAN**

(Public and Press excluded by virtue of Paragraph 3)

The Chairman explained that the item was to be considered in private as the report (RD.92/11) contained commercially sensitive information. Members stated that residents were concerned about their homes and Councillors needed to have the information to keep residents informed.

The Financial Services Manager (Miss Taylor) submitted report RD.92/11 that highlighted the key issues with regard to the disposal of assets and the information that had been requested at the last meeting.

An issue highlighted by a Ward Councillor in respect of one of the assets had caused concern to residents and Members. The Consultant Surveyor (Mr Walshe) confirmed that the process for the sale of assets had been adhered to and that Ward Councillors had been consulted at the appropriate times. No issues had been raised. The issue had also been considered by the Executive when it would have been a matter for call-in if Members were not happy with the decision.

An e-mail had been received from a local resident about the sale of that asset requesting that the asset be removed for the forthcoming auction sale.

RESOLVED: 1. That Officers look at the procedures for sale of assets to ensure they are robust and appropriate.

2. That the Panel requested that the sale of the asset be deferred from the forthcoming auction to allow a review of the matter and to allow full consideration and consultation of the sale.

(The meeting ended at 12.20pm)