

Overview & Scrutiny Committee – Meeting held on Thursday, 10th April, 2008.

Present:- Councillors Swindlehurst (Chair), Dhillon and Small.

Apologies for Absence:- Councillors Anderson, Arnold, P Choudhry, Coad and Shine.

PART I

87. Declarations of Interest.

None were declared.

88. Minutes

The minutes of the last meeting of the Committee held on 28th February, 2008 were approved as a correct record and signed by the Chair.

89. Minutes of Scrutiny Panels -

The Minutes of the following Scrutiny Panels were noted and received:-

Education and Children's Services of 28th January, 2008.

Green and Built Environment of 29th January, 2008.

Community and Cultural Services of 30th January, 2008.

Health of 12th February, 2008.

90. Recruitment & Retention of Senior Staff - Update.

The Committee at its meeting on 6th September, 2007 had considered a report on the recruitment and retention of senior staff following a number of Chief Officers having left the Council's employ in the first half of 2007/08. The Committee had requested a further update in 6 months' time to include the following issues:-

- Comparison of senior staff turnover as compared to similar local authorities.
- Details as to whether retention across all categories of staff was an issue in Slough as compared to similar authorities.
- Strategy for tackling retention issues.

The Strategic Director of Human Resources presented her report covering the issues of interest to the Committee. She commented that, as with most authorities, the Council had pockets of recruitment and retention difficulties that were addressed through a variety of approaches. The Council's turnover rates were comparable with other authorities and some turnover was desirable to refresh the organisation. It was anticipated that, having secured appointments to complete the Corporate Management Team, there should now be a measure of stability as the Council embraced the challenges in

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delivering quality services to residents. The report also set out in detail the recruitment, retention and replacement strategy setting out a range of approaches adopted by the Council in this area.

Members welcomed the information in the report and raised the following issues:-

- A Member expressed disappointment at the small number of applications received for the recent post of Strategic Director of Improvement and Development. The Director responded that it was considered that the pay package and the advertisement had been attractive but it was possibly the case that there was only a limited number of suitable individuals in the market who would be interested. However, a good appointment had now been made.
- Reference was made to the Pertemps contract and whether this had made a difference to the Council's success in recruiting staff. The Director responded that, whilst the contract had only been in place for some six months, there was now a dip in the amount being spent on agency and consultancy staff although it was not yet clear whether this was due to an increase in the number of permanent staff. A Member asked whether there were clear and measurable targets as regards the success of the contract and this was confirmed. Following further debate, it was agreed that an update on the Pertemps contract be submitted to the Committee at its July, 2008 meeting.
- A Member asked whether research was undertaken as to the reasons why people left the authority. The Director confirmed that an exit interview process was in place but that the findings generally were that people moved to other posts for reasons of career advancement rather than any dissatisfaction with Slough.
- In response to a question, the Director updated the meeting on the current progress with the job evaluation and harmonisation review which now had agreement from the local and regional trade union representatives. The proposals would now be subject to ratification by the trade unions at national level prior to a ballot of their members. Acceptance at the ballot would enable implementation of the agreement.

Resolved - That the report be noted and welcomed and that an update on the success of the Pertemps contract be submitted to the Committee at its July, 2008 meeting.

91. **Interim Accommodation Arrangements for the New Slough Islamic School.**

This item had been deferred at the last meeting of the Committee and was now submitted for information as the Cabinet had subsequently resolved the recommendations as set out in the report. These were that the Slough Islamic School should use the current Lea Infant and Junior school buildings until 31st August, 2009 or until a new school was completed and, secondly, that officers be authorised to approve the terms of the lease, etc.

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Members asked a number of questions of detail about the Islamic School project and Officers noted that SISP were still confident that they would complete the building by the required date. The interim accommodation arrangements were noted and it was -

Resolved - That the report and the current position be noted.

92. Funding Options for Lea Nursery and Children's Centre

The Committee was reminded that the Slough Islamic School Project (SISP) had appointed a preferred bidder to build their new school on the Lea campus. At the same time as tenders were invited for this contract, they were invited for the provision of a Nursery and Children's Centre for the Borough Council. Capital funding had been set aside of £2.2m but the tenders received gave construction costs of between £3m and £3.9m, representing a potential funding gap of between £0.8m and £1.7m. The report set out the action that had subsequently been taken to reduce the funding gap and "value engineering" was being undertaken with the preferred bidder to remove non-essential costs. However, it was anticipated that there would continue to be a funding gap of some £1m and the Cabinet on 14th April, 2008 was being requested to resolve whether the Centre should go ahead as previously agreed; whether it should be postponed and re-tendered; or whether the proposed Children's Centre should not proceed.

Committee Members expressed considerable concerns at this funding gap. Whilst the Committee in general supported option (a) as set out in the report, namely to go ahead with the construction of the scheme as proposed and explore options for bridging the funding gap, it was agreed that the following issues needed to be brought to the attention of the Cabinet:-

- The Committee noted that whilst there was a provision added for inflation within the project, and building construction costs had risen considerably above the rate of other inflation during the planning and design phase, the cost of the scheme was still substantially above that budgeted for. The Committee had considerable misgivings as to how such a situation could have been arrived at.
- It was noted that a sum of £2.2m had been set aside within the capital programme for the provision of the Lea Nursery and Children's Centre. The Committee was advised that a total capital provision had been made available to the authority to provide for children's centres and this sum had been split four ways. However, because of the particular design of the Lea project, it should have been clear at a much earlier stage that the budgeted sum was inadequate. Members expressed concern that, at the design stage, inadequate regard appeared to have been given to the capital funding available for the scheme, thereby giving rise to the funding gap situation in which the Council now found itself. The Committee therefore requested that detailed consideration needed to be given to the process by which this scheme had been designed so as to learn any lessons for the future.

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- It was agreed that a full review of the whole process from design stage to the present time be undertaken so that lessons could be learnt in respect of future schemes to prevent the Council finding itself in a similar situation in the future. It was agreed that the Cabinet ask Officers to undertake a review of the project to date to pull out such learning points.
- Members also asked a number of questions about the funding arrangements for the Muslim School and whether they had been able to raise their 10% proportion of the costs. Officers advised that as this project was being delivered by SISP and the Department for Children, Schools and Families, the funding arrangements would not have any impact on the Borough Council's budget.

Resolved - That recommendation (a) as set out in the Cabinet report be proceeded with but that the considerable concerns of the Committee as set out above be taken on board, including the recommendation that a full review of the whole process from design stage to the present time be undertaken so that lessons can be learnt in respect of future schemes.

93. **Scrutiny Call-in - Local Area Business Growth Incentive Scheme (LABGI) - Allocation of Funding.**

Councillor Anderson had submitted a post-decision call-in on the issue of LABGI funding in the following terms:-

“This is a major decision for the Council which has not yet been through the scrutiny process. I do not take issue with community projects benefiting from the LABGI additional money; however, I would like to call in the decision to ensure that this is a legitimate use of the money as it is usually supposed to be used to promote further business growth. I would like the Overview and Scrutiny Committee to verify that this is a legitimate use – if it is found to be a legitimate use of the money then I have no problem with it proceeding with the decision. Also, I am unsure that this is the most effective use of the money – community projects in residential side streets are unlikely to have any real effect in attracting new businesses to Slough. I would like Scrutiny to use its role to ensure that the Council will not be challenged if the Council uses the money for these purposes.”

Members were advised that the call-in had been submitted to a special meeting of the Cabinet on 3rd April which had decided to proceed with its earlier decision to allocate the sum of £25,000 per ward and that the remainder of the funding be held pending the financial outturn. The Committee noted that Councillor Anderson's concern centred around whether the use of the monies for community projects was a legitimate use of LABGI monies. Additionally, he had concerns about the way in which the local ward councillors would decide how the provision would be allocated within their own ward.

The Committee was advised that, at the present time, there was no requirement for authorities to utilise LABGI monies for a particular purpose as

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the awarding of the funding was seen as a “reward” for encouraging economic development in an area. Whilst the rules may change in the future, there was no difficulty with regard to the Cabinet’s proposals for the utilisation of the funding for projects in individual wards.

The Committee did however have some concerns both at the use to which the monies were being put and the process for agreeing the projects in question with local councillors. Members expressed the view that, given the very real needs in the town and the lack of available funding to undertake some of the Council’s priorities, the utilisation of these windfall monies in this way did not appear to be the most appropriate use of the funding.

Additionally, individual Councillors expressed concern that there did not appear to be a clear process in place for the ward councillors to agree schemes within their wards, with some Members announcing schemes without having spoken to their colleague councillors. The Chief Executive advised the Committee that the appropriate mechanism would be for the ward councillors in each ward jointly to submit in writing a proposal to the appropriate Director setting out their proposals for this expenditure which could then be signed off. It was however agreed that the Cabinet should be asked to ensure that such process was made absolutely clear to all Members.

Resolved - That Cabinet be requested to note the Committee’s concern at the decision to allocate the LABGI monies for ward projects, given the other very real priorities in the town; and that Officers be instructed to draw up and circulate to all Members clear guidelines for the agreement and allocation of these monies within the wards.

94. Review of Fees and Charges for 2008/09.

The Strategic Director of Resources submitted a report setting out in detail the review of fees and charges for the 2008/09 financial year. The Cabinet on 14th April was being requested to note the charges and to approve any that were not able to be set at Director level under the existing scheme of delegation.

In noting the report, the Committee commented on the extremely detailed information submitted and suggested that a complete review was required of the way in which the fees and charges were reported to Members so that only the key areas were reported in future with the vast bulk of minor charges being dealt with at Officer level. The Chief Executive agreed that, for future years, a review was required of the format of reporting this information.

It was also suggested that it would be extremely useful, where there was a large increase in a particular charge, that a justification be provided for this so that Members were clear about the reasons for it.

Concern was also expressed of the fact that in some cases where there was a very minor increase in charges (e.g. 50p for allotments), Council Officers were sending individual letters, the cost of preparing and posting of which must

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exceed the increase itself. The result of this practice also needed to be reviewed.

Resolved - That the report on the review of fees and charges for 2008/09 be noted but that the issues raised by the Committee be taken into account in respect of the reporting of fees in future years.

95. Performance Monitoring 2007/08.

The Committee considered an information report highlighting the Council's overall performance from financial management to service and HR activity. The report gave the third quarter statistics from the Human Resources department, the latest position on the HRA as well as the likely outturn for both revenue and capital expenditure. The report also gave the latest position regarding Council Tax capping and sought approval to the writing off of Council Tax debts.

Members noted that bond monies in respect of Broom and Poplar Houses had now been received by the Council in the sum of £360,000 and this was to be transferred to an earmarked reserve in order to offset any further planning appeals the Council was required to meet. Officers were continuing to look at options to seek additional compensation for the authority. In response to Members' questions, it was noted that a further update report on the scheme was due to be submitted to the June meeting of the Committee.

With regard to the costs of planning enquiries, some concern was expressed at the considerable financial implications for the Council where the Planning Committee was taking particular decisions against the strong recommendations of Officers.

Resolved - That the report be noted.

96. Forward Agenda Plan.

The Committee noted its forward agenda plan for future meetings. It was noted that the reports on the Haymill/Thames Valley Community Centres and on property disposals (estate shops/Windsor Road) were due to be submitted to the June meeting, as was the update on the Broom and Poplar audit recommendations.

Resolved - That the reports be noted.

97. Vote of Thanks

The Committee passed a vote of thanks to the Chair for his service during the municipal year now ending. The Chair thanked Members and Officers for their support during his year of office.

Chair

(Note: The meeting opened at 6.30 p.m. and closed at 9.00 p.m.)