

## **Overview & Scrutiny Committee – Meeting held on Thursday, 27th January, 2011.**

**Present:-** Councillors M S Mann (Chair), Bains (until 9.45 pm), Bal (until 8.10 pm), Basharat, Coad (until 9.15 pm), Haines, Shine and Walsh (arrived 6.55 pm).

**Also present under Rule 30:-** Councillors Parmar, Small, Matloob, Swindlehurst, Dale-Gough, Pantelic, Munkley and Sohal

**Apologies for Absence:-** Councillor O'Connor

### **PART I**

#### **61. Declarations of Interest**

Councillors Bal and Basharat declared a personal interest in that members of their families were employed by Slough Borough Council.

#### **62. Medium Term Financial Plan 2011-12 to 2014-15**

The Strategic Director of Resources outlined a report detailing the position regarding the Council's revenue and capital budget for the financial year 2011/2012, together with a supplementary report clarifying complex changes to local government funding and a number of service pressures arising from these.

The Committee was advised that because some changes in public sector funding had resulted in significant financial challenges and some services had not received any element of national funding at all, Members would be required to make difficult decisions to reduce the cost base and consequently close the budget gap. Alternatively, Members could request further savings from other areas to enable them to continue to support unfunded services.

The Director discussed the required Revenue, Capital and Treasury Management Budgets over the medium term and for 2011/12. The annual Capital and Revenue Budgets identified the resources required to deliver the full range of council services subject to decisions taken to address the budget deficit to secure a balanced budget.

The report would be submitted to Cabinet for approval at its meeting on 7<sup>th</sup> February, 2011, in advance of its submission for agreement at Council on 21st February 2011.

In the ensuing debate Members raised a number of questions /comments as follows (responses in italics):

## Overview & Scrutiny Committee - 27.01.11

- Members had been advised previously that indices and targets had been scrapped- would there be a reduction in the number of staff who reported performance and wasn't performance a managerial function?

*This was the case and the Committee was referred to page 13 of the supplementary report which set out the detail of savings in this area. £298K had been secured within the relevant tier. Not all of the indicators had been withdrawn and the Council was obliged to provide information around input and activity levels.*

- How much bad debt did the Council have and what was the strategy to collect this?

*Members were referred to the figures in the report and it was highlighted that the debt related to sundry debtors which had arisen historically and not to Council Tax or Business Rates.*

- What was the debt figure and why had it been allowed to accumulate?

*The amount was approximately £4m. An example of where a debt occurred was when a person had died and the debt could not be recovered through Executors. In other cases debt was written off and this was unavoidable because it was impossible to locate the debtor.*

- How tough could the Council be in ensuring that pressure would be placed on schools to ensure they were carrying out particular services?

*The decision on what it should fund or not fund was down to the particular school. Meetings had been held and it was clear that schools were receptive to the changes in budget arrangements.*

- What was the position regarding the restructure in the Education Department?

*The consultation had been carried out and it was clear that there would be some redundancies. Wherever possible peripheral functions had been removed, leaving the requirement to perform largely statutory functions. Significant changes had taken place and more were anticipated in the coming months. The Early intervention Grant had been reduced recently to £600k and levels of staffing would be examined.*

- Was the Council looking at the provision of shared services to reduce costs in education services and other areas.?

*The Council had investigated this option with other neighbouring authorities and put out tenders whilst ensuring the continuity of safety for children. The Officer discussed Pan London and other joint agency working which would be considered to reduce costs. Work was*

## Overview & Scrutiny Committee - 27.01.11

*ongoing to drive down the cost of external placements for looked after children and negotiations with Foster Agencies were ongoing.*

- It was suggested that the budget situation provided an opportunity for Directorates to start from a zero budget position-had this occurred?

*Corporate and Support Services had required significant savings so the whole of the budget position and possible alternative provision had been assessed. This principle would also take effect to some degree in other Directorates.*

- It was felt that the Wexham Nursery site was a high profile service that the Council had protected over many years and it would be difficult to support any decision to close the operation. Would it not be better to keep the nursery going at full capacity until such time as work was found for all the employees, otherwise there would be a lot of bad will in the community.

*It was acknowledged that this was a difficult decision but over the years the service had cost more to run in a very competitive market. It was now possible to buy plants cheaper elsewhere and some of the buildings on site were very difficult to let. Discussions had been held with other organisations to make provision for the three employees with learning difficulties to move into employment elsewhere. It was highlighted that the Nursery was a pseudo community organisation which was losing money and the Council was not in a position to continue funding in this area. It would not be possible to keep the Nursery open due to the current financial situation and an investigation into the option to provide a smaller site or set up a social enterprise had not been successful. 'Speedwell' had been given quite a lot of support and this would be sustained over 2011/12 as part of the long term review.*

- Members were concerned that there had been a £500k spend on consultants during 2009/10 and suggested that future Cabinet reports contain a full breakdown of costs in this area. It was important that checks and balances were in place to ensure that finances were not being used unnecessarily. There was also the concern that senior employees could retire early and returned as Consultants.

*The Director advised that the information requested was published and fully accessible. It would be difficult to provide this information 'going forward' as the recruitment of Consultants was unpredictable. Often Consultants were employed because they had specialist knowledge and the ability to quickly get behind an issue; the return on their investment was therefore high. The decision to employ a Consultant was never taken lightly but as a last resort.*

- Members referred to the proposal that savings would be achieved by the reduction in Political Group support. It was argued that the ruling

## Overview & Scrutiny Committee - 27.01.11

Group had a Political Officer and a full time PA and it was grossly unfair that opposition Groups would have their support reduced in this way. An independent Member stated that he would not be able to represent his Ward if he did not have the services of a Political Officer.

*The Director advised that the decision on whether to retain the complement of Political Officers was one which Members would need to make.*

In summary, the Committee considered the recommendations within the report and expressed concerns regarding the proposal to close Wexham Nursery and the resulting loss of supported employment; and the proposal to reduce the provision of Political Group Officer support. The Committee also considered that the appointment of Consultants and related costs should be closely monitored so that a check and balance system was in place to ensure that the related cost was justified.

### **Resolved-**

- (a) That the Committee notes the recommendations set out in the report, that will be considered by Cabinet at its meeting on 7<sup>th</sup> February, 2011 and the proposals to address the budget deficit position.
- (b) That the Committee regret the proposal to close Wexham Nursery and requests that Cabinet ensure that the members of staff with learning disabilities are granted a period of 9 months support to assist them with future employment opportunities.
- (c) That the Committee receive an update report on the position with Wexham Nursery in June, 2011.
- (d) That a periodic report detailing the reasons for employing any Consultant, setting out in particular the related costs and benefits be submitted to the Committee.
- (e) That the view of opposition Members that the proposal to reduce Political Group Officer support will disadvantage those Members and their constituents be noted.

## **63. Housing Revenue Account- Annual Rent Setting 2011-2012**

Neil Aves, Assistant Director, Housing Services, outlined a report detailing the proposed 2011-12 annual rent and service charge rise to tenants and the proposals for other rents and ancillary charges used for specific elements of the Council's housing stock. It was noted that the report would be presented to Cabinet on 7<sup>th</sup> February 2011.

The Committee noted the methodology behind the rent setting process and the amounts set, based on the property size ranging from £61.50 for a bedsit to £116.33 for a 5 bed and larger property. It was noted that when the rent formula was applied directly across all 6,500 council dwellings, this equated to an average 6.82% rise. This was in line with the national average of rent increases and consistent with government guidelines.

## Overview & Scrutiny Committee - 27.01.11

The Assistant Director discussed the increase in garage rents, and utility and other service charges. He concluded that in conjunction with the HRA Budget adoption report, the recommended increases would deliver a balanced HRA budget and ensure medium term sustainability for the HRA Business Plan.

In the ensuing debate Members raised a number of questions/ comments regarding the level of rent and the provision of maintenance. The Committee was advised that the rent shown was the pure rent and residents were sent a statement setting out the respective charges.

**Resolved-** That the Committee note the following recommendations that will be considered by Cabinet at its meeting on 7<sup>th</sup> February, 2011.

- (a) That the rent increase for 2011/12 be set according to the national rent restructuring formula, equivalent to an average increase of 6.82%.
- (b) That heating, utility and ancillary charges are increased by 4.6%, based on the September RPI figure used in rent setting.
- (c) That service charges are increased by 5.1%, being the RPI+0.5% uplift used for rent setting.
- (d) That garage rents are increased by RPI (4.6%).
- (e) That 'other committee' property rents are increased by 6.82% in line with the average increase of all housing properties.

### 64. Housing Revenue Account (HRA) Budget Setting 2011-12

The Assistant Director advised that there was no report to consider at this time due to the fact that the Housing Subsidy had only recently been released. A report would be considered by Cabinet and its meeting on 7<sup>th</sup> February, 2011.

**Resolved-** That an update report be submitted to the Committee at its next meeting on 3<sup>rd</sup> March, 2011.

### 65. Draft Asset Management Plan and Capital Strategy 2011 - 2016

Julie Evans, Strategic Director of Resources, outlined the Asset Management Plan and Capital Strategy 2011-16 for comment. The Committee was advised that Cabinet would be requested to approve the strategy at its meeting on the 7<sup>th</sup> February, 2011.

The Director advised that the Asset Management Plan set out the basis on which the Council owned, managed and utilised its Property Assets. All Directorates undertook reviews of their current assets, and ensured that they were managed efficiently to deliver the Council's Community Strategy. The Committee was referred to the schedule of assets identified for disposal and review and it was noted that an Internal Working Group would be established to carry out a continual review of assets in conjunction with the Capital Assets Group. The review of Property Assets would identify revenue savings from more efficient use of assets, shared use with partners and vacation and

## Overview & Scrutiny Committee - 27.01.11

disposal where retention could no longer be justified. The delivery of savings to the Council's Revenue budgets and Capital Receipts from disposal would assist the funding of the Council's Capital programme.

In the ensuing debate, Members raised a number of questions/ comments, including the following (*responses in italics*):

- Would it be possible to earmark land for social housing, e.g. Wexham House?

*Michael Condon, Head of Asset Management, advised that Slough BC had no land allocated for housing that had not already been transferred and used for housing purposes. In respect of Wexham House it was felt that the market would have to decide. A decision would be made on the future use of the TV Infant School.*

- A number of Members were concerned that the car park in Sheehy Way was listed as category C, i.e. expensive to run, not fit for purpose and/or had a potential capital receipt. It was argued that the car park was heavily used by three local institutes and had been used in a similar manner for the last 20 years. To remove this facility would cause severe problems in the local community.

*The Officer advised that the car park would not be declared as surplus and acknowledged that it was invaluable at weekends. He advised that a number of requests had been received to purchase the site and he wanted to see if there was another solution for the Gurdwara and the possibility of parking at a nearby garage site would be explored. The Committee was advised that there was no proposal to close the Sheehy Way Car Park at present and the provision of additional car parking would be examined.*

### Resolved-

- (a) That the Committee note the recommendations that will be considered by Cabinet at its meeting on 7<sup>th</sup> February, 2011.
- (b) That the Committee recommends to Cabinet that the Sheehy Way car park listed within the schedule of Category C Assets (UPRN ref 8046) be retained as it is fully utilised at all times and an essential facility for users of the adjacent premises.

## 66. Review of Scrutiny

The Committee received a report which detailed the current Scrutiny Structure and proposals to streamline Scrutiny Panels and ensure effective scrutiny. The subject had been discussed in part within the medium Term Financial Plan report that was considered earlier in the agenda.

## Overview & Scrutiny Committee - 27.01.11

**Resolved-** That the report be noted and that the following changes to Scrutiny be recommended with effect from the Annual meeting of the Council (19<sup>th</sup> May 2011):

- (a) To initially reduce the number of Standing Panels from four to three by combining the Community Leisure & Environment and Neighbourhood & Renewal panels.
- (b) To subsequently consider the possibility of reducing the number of Standing Panels to two, subject to future clarity regarding the authority's statutory obligations as a result of changes relating to the provision and monitoring of health services.
- (c) That Democratic Services continues to provide a full clerking service to the Overview & Scrutiny Committee and to the Health Scrutiny Standing Panel (both statutory obligations) and that the Scrutiny Officer services the remaining two Scrutiny Standing Panels.
- (d) Subject to (c) above that the minutes and records of the two non-statutory Scrutiny Standing Panels be confined to factual listing, bullet point and recommendations/resolutions for each meeting with no summary of debate.
- (e) That the authority's participation in the Joint East Berkshire Health & Overview Scrutiny be kept under review.
- (f) That the Committee and proposed three Standing Panels adopt a more robust focus on (and review of) priorities, setting clear objectives for their work at the beginning of each municipal year to best define activities and aid effective focussed scrutiny within a reduced budget.

and that:

- g) That the Committee consider a further report on the effectiveness of the current scrutiny arrangements at its meeting on 31st March, 2011.

### 67. Census - A Progress Report

Kevin Gordon, Assistant Director, Transformational Change, outlined a report to update the Committee on the current Census project and recent developments with the Office of National Statistics (ONS), following a number of previous concerns raised by Members.

The Committee was advised that a meeting had taken place on the 16<sup>th</sup> December, attended by Glen Watson, ONS, Garnett Compton, Ruth Bagley and Kevin Gordon, Slough Borough Council. The Assistant Director discussed a number of assurances that were given by the ONS as detailed in the report.

It was noted that the 'Census Coverage Survey' (CCS) would help ONS to assess and adjust for those households and people who did not complete their census questionnaire. This together with the subsequent coverage adjustment process was crucial to ensuring that the census population

## Overview & Scrutiny Committee - 27.01.11

estimate was a robust measure of Slough's population. An extensive quality assurance process would follow to compare the emerging census population estimates with comparator sources.

The Committee was advised that an extensive marketing and publicity campaign was underway and the the publicity campaign would commence on 4<sup>th</sup> March until 5<sup>th</sup> April when questionnaires would start to arrive on door mats. It was noted that the creation of at least 100 Completion Centres would be used to provide help and assistance to people with literacy needs, those with English as a second language and disabled people. It was clear that the support of Councillors was vital to ensure a successful Census and the ways in which Members could participate were discussed.

A number of comments /questions were raised by Members in the ensuing debate, including the following (responses shown in italics):

- A Member advised that in his Ward, he was aware of a number of residents who were not on the Electoral Roll.

*A number of Slough's residents were not entitled to vote and it was helpful to provide the ONS with any supporting anecdotal evidence.*

- A Member suggested that it would be helpful to launch an advertising campaign to show how much money would be gained for every person who completed the Census Form.

*The Council would be advised which collector area had the lowest return rate but no information would be provided for the other areas. It was felt that it was important to have information for all of the five areas and this would be discussed further.*

**Resolved-** That the report be noted and that an update report be considered by the Panel at its meeting on 31<sup>st</sup> March, 2011.

### 68. Forward Work Programme

The Forward Work Programme was noted.

**Resolved-** That the following items be added to the programme:

- (a) Medium Term Financial Plan:- A periodic report detailing the reasons for employing any Consultant, setting out in particular the related costs and benefits be submitted to the Committee (June 2011).
- (b) Review of Scrutiny-Update report- 31<sup>st</sup> March, 2011
- (c) Census 2011- Update report to be considered at meeting (date tbc) in June 2011.



## **Overview & Scrutiny Committee - 27.01.11**

### **69. Date of Next Meeting- 3rd March 2011**

The date of the next meeting was confirmed as 3<sup>rd</sup> March, 2011.

(Note: The Meeting opened at 6.30 pm and closed at 10.20 pm)

Chair