

CORPORATE RESOURCES & IMPROVEMENT OVERVIEW & SCRUTINY COMMITTEE - WEDNESDAY, 21 SEPTEMBER 2016

MINUTES OF A MEETING OF THE CORPORATE RESOURCES & IMPROVEMENT OVERVIEW & SCRUTINY COMMITTEE HELD IN COMMITTEE ROOMS 2/3, CIVIC OFFICES ANGEL STREET BRIDGEND CF31 4WB ON WEDNESDAY, 21 SEPTEMBER 2016 AT 2.00 PM

Present

Councillor M Reeves – Chairperson

G Davies	E Dodd	EM Hughes	DRW Lewis
JR McCarthy	D Patel	JC Spanswick	G Thomas
RE Young			

Apologies for Absence

GW Davies MBE, EP Foley, CA Green and PJ White

Officers:

Julie Ellams	Democratic Services Officer - Committees
Rachel Keepins	Democratic Services Officer - Scrutiny

Invitees:

Susan Cooper	Corporate Director - Social Services & Wellbeing
Randal Hemingway	Head of Finance & Section 151 Officer
Andrew Jolley	Corporate Director Operational & Partnership Services
Deborah McMillan	Corporate Director Education & Family Support
Mark Shephard	Corporate Director – Communities
Councillor HJ David	Deputy Leader
Councillor C Reeves	Cabinet Member – Communities
Councillor CE Smith	Cabinet Member - Regeneration and Economic Development
Councillor HM Williams	Cabinet Member – Resources
Councillor N Clarke	Chairperson – Partnerships & Governance Overview and Scrutiny Committee

210. DECLARATIONS OF INTEREST

None

211. APPROVAL OF MINUTES

Under the Sickness Absence Report item, Members were advised that the recommendation that the Chief Executive's appraisal contain a target to reduce sickness absence across the Authority by 10%, was rejected following legal advice that it was not within the Committee's remit to set a target. Members were advised that they would receive an update on progress to a future meeting.

RESOLVED That the Minutes of the Corporate Resources & Improvement Overview and Scrutiny Committee of 11 July 2016, be approved as a true and

accurate record, subject to the minutes being amended to reflect that Councillor N Clarke had attended the meeting.

212. BUDGET MONITORING - QUARTER 1 2016-17

The Head of Finance & Section 151 Officer presented the budget monitoring report providing an update on the Council's financial position as at 30th June 2016 and projected outturn for the year against the budget approved by Council in March 2016.

On 10th March 2016 Council approved a net revenue budget of £254.891 million for 2016-17, along with a capital programme for the year of £43.553 million which was recently revised to £49.530 million. As part of the Performance Management Framework, budget projections were reviewed regularly and reported to Cabinet on a quarterly basis. The delivery of agreed budget reductions was also kept under review and reported to Cabinet as part of this process.

The overall projected position as at 30th June 2014 was a net over spend of £164,000 comprising £564,000 net over spend on directorates and £400,000 under spend on corporate budgets.

At year end consideration was given to requests from directors to carry forward any planned directorate under spends for specific purposes the following year in line with protocol, providing these could be met from within the Council's cash limited budget for 2016-17.

A report presented to Cabinet on 5 July 2016 highlighted that of the £11.225 million budget reduction proposals for 2015-16, £2.692 million were not met in full with a shortfall in the financial year of £1.909 million. A summary of the latest position showed that progress had been made although there remained an ongoing shortfall of £1.172 million in 2016-17 against these specific proposals.

Members referred to the table demonstrating a comparison of budget against projected outturn at 30th June 2016 and suggested that in future it would be useful to include the original budget so that a comparison could be made.

The Committee asked if the procedure for carrying forward an over spend was a recent change to procedure. The Head of Finance & Section 151 Officer explained that it was not a new change this year and the principle behind it was to incentivise budget holder behaviour because it should not be assumed that they would start with a zero balance. Members asked if this had ever happened and they were advised that it had happened in the previous two years.

The Committee referred to corporate issues outside the councils control and the way that the individual Directorate was expected to find the shortfall. Members suggested that some corporate issues should be re-profiled as they were outside the Council's control such as MREC, Blue Badges and School Transport.

The Committee referred to the list of AMBER savings and in particular, the lease of Raven's Court building. Members felt that it should show as red because of the delay in securing a tenant. The Head of Finance & Section 151 Officer explained that the report was originally prepared at the end of quarter 1 and at that time negotiations were still underway with an interested tenant. The category was therefore amber because there was some risk around delivering the saving. The Corporate Director – Communities explained that as soon as any savings were known to be at risk then they looked for

alternatives. Members asked if the position was better or worse now. They were advised that nothing had changed therefore the position was worse.

Members asked if one of the reasons for the amber proposals not progressing was because of a lack of staff. The Head of Finance & Section 151 Officer explained that each proposal was different but he was not aware of this being an issue.

Communities Directorate

Members referred to the projected over spend in Transport and Engineering and suggested it was time to take a decision in relation to staff and Member car parking and car parking charges overall.

Members referred to the closure of the Household Waste and Recycling Centre in Ogmore and queried how much more it had cost the council to collect fly tipping as a comparison. The Head of Finance & Section 151 Officer explained that the saving achieved was £100,000 and that incidents of fly tipping were quite rare and mainly trade waste. Some Members disagreed with this statement because they were reporting fly tipping on a weekly basis. The lack of enforcement was also an issue. The Cabinet Member Communities explained that Cabinet were considering other options for dealing with this issue such as private companies monitoring litter and fly tipping whilst taking into account criticism against authorities for using covert cameras.

The Committee referred to the Council Tax Reduction Scheme and asked if demand had fallen because the scheme was no longer advertised. The Head of Finance & Section 151 Officer reported that he was not aware if the scheme was advertised or not but that not all residents who were entitled had applied. He agreed to look into whether or not the scheme was advertised.

The Committee referred to the grounds maintenance budget reduction already achieved of £437,000. Members were concerned that the service was now in crisis with reduced staff levels that no longer communicated effectively. Any further cutbacks would impact on the service even more and it was important for Members to understand that resilience was reduced and the consequences. A member suggested there should be a column for the impact on the service of budget cuts, in addition to all the other information. This was the only authority in Wales where cuts had been so severe that the service no longer functioned.

The Corporate Director Communities explained that there were very few options when it came to cuts in this area and the problem was compounded by expensive waste disposal costs. Supervisors and managers had been reduced and any further cuts would require significant changes such as closing facilities. Savings of £437,000 had been made but more than £2 million was still being spent. The Parks service usually generated a lot of correspondence which was challenging to respond to in a timely manner ordinarily, however staff levels were no longer sufficient to cope with between 60 and 70 letters per week, for example when a particular issue 'blew up' such as the reaction to changing the way in which parks and playing fields charges were calculated all requiring a separate response.

Members thanked the Cabinet Member Communities and the Corporate Director Communities for attending the meeting.

Education and Family Support

The Corporate Director – Education and Family Support explained that it was important to recognise the work undertaken over the last two years and savings already made of in excess of £1 million. School route efficiencies and procurement changes had been implemented successfully and changes to the walking distances had been agreed by Cabinet in September to be implemented on a phased basis. It was agreed that there would be no changes to transport for over 16's. From September 2016 there were 100 fewer children in the system spread across 59 schools. They were not in a position to cut buses yet but these savings would be achieved in future. There had been an over spend in LAC placed out of county. 11 Children were transported from their foster homes back to Bridgend to attend school at a cost of £12,000 per child each year. This was something the authority had no control over and there was pressure within to continue this rather than children moving schools.

The Committee asked why pupils were not able to catch service buses. The regulations stated that if a pupil lived more than 3 miles away then they were entitled to free transport. Officers would investigate this to see if it was an option. The Deputy Leader explained that the Council could look into this particularly for post 16 students where economies of scale could not be achieved. They could be given the option of a bus pass for a service bus or the train fare as an incentive to make their own way to school/college. This would not apply to SEN provision where challenging behaviour made it difficult to share vehicles.

Members raised concerns that almost 50% of the Directorate was in the red and asked why this was the case and what was being done about it. The Deputy Leader explained that the £450,000 related to over spend on home to school/college transport, particularly in respect of school transport route efficiencies and rationalisation of special education needs transport. Savings from the previous year were not made and officers were trying to find alternatives.

The Deputy Leader reported that there had been many meetings about learner travel and comments made about not making the anticipated savings. If they pursued the policy re transport for Post 16's then that could have an impact on the number that stay on in school, and that could lead to an increase in NEETS. A phased introduction would have an impact on savings but would be considerably less problematic than the alternative. There would be significant savings in the future but this would be a gradual process over a number of years.

The Corporate Director – Education and Family Support explained that there was new legislation regarding safer routes to school which allowed pupils to legally challenge safe routes based on a pupil's perception. Even though the routes were checked, if a pupil still did not feel safe, that was sufficient for a claim. Changes in legislation make it more difficult to implement. In order to be compliant they had to establish safe routes (not short routes) and there was a duty to get each child to school if there was no safe route.

The Corporate Director – Education and Family Support reminded the Committee that even though discussions had been focussed on the budget and school transport, results had continued to improve better than the Welsh average and Bridgend were currently second in Wales for improving results.

Social Services and Wellbeing

The Committee referred to Learning Disabilities Residential Care and the projected over spend of £570,000 as a result of the transfer of clients from children to adult services and asked why this had not been planned for. The Corporate Director – Social Services and Wellbeing explained that they did plan for the transitional group from age 14

onwards. This related to four transitional cases and the use of funding to keep people local or at home. The reality was that there were a number of children to plan for and a number of different funding streams available making this a difficult area to deal with. Members requested a breakdown of the over spend. The Head of Finance and Section 151 Officer added that under different circumstances funds could be taken from the Looked After Children budget but it was not feasible given the existing pressure on that budget.

The Deputy Leader explained that a transition team was being created to help with planning from childhood to adulthood and this would help to reduce the problem.

Social workers covering the 14 to 25 age group would help to smooth the issues and a paper was being prepared regarding this matter and consultation had already started.

Members queried the number of staff vacancies resulting in the under spend of £295,000 in the Learning Disabilities Day Opportunities area. If the service was running without these staff what would be the implications of not filling these posts and if staff were recruited there would not be a saving.

The Corporate Director – Education and Family Support explained that as part of the transformation change programme, a new model was being introduced. There was now a different way of delivering the service involving 3rd sector voluntary groups which had considerable success in the first year. The vacancies were being held to see if they need to be changed to reflect the current position and to be sure that the system was working before the posts were deleted. The number of posts would be emailed to Members.

The Committee asked for clarification regarding the number of LAC because they were under the impression that numbers were decreasing. Concerns were raised that savings of £357k previously identified, were not going to be achieved. Members also asked how Bridgend compared to other authorities and what they were doing to address the problem.

The Corporate Director – Education and Family Support reported that at the end of the previous week, there were 378 Looked After Children. Money had been taken out of the social services budget for 2016/17, some relating to LAC and some for residential and respite services. The savings profile for LAC was based on numbers reducing by 35 each year although there were a number of different placements all with a variety of costs. If directed by the Court, a placement could be for as much as £160,000 a year whilst others were between £40,000 and £9,000 for a family based placement. If a Court directed that a child be held in a high security unit then the cost could be between £4,000 and £5,000 per week. Staff were drilling down into each individual plan with the intention of making savings whilst keeping children close to home.

Numbers were still high compared to other authorities but slow and steady progress was being made reducing the figures. Children were moved back if foster carers with the right skills and experience were available. Some were out of county following a direction by the court and some were in need of highly specialised therapeutic support.

The Head of Finance and Section 151 Officer said that he would provide details of the base budget and the number of children. There was a need to safely reduce LAC within Bridgend and the development of a multiagency safeguarding hub would help the position. The team were well aware that savings had to be realised.

A Member stated that because it was difficult to anticipate the number of LAC, it should not be included as a budget saving. The Corporate Director – Social Services and Wellbeing explained that even if it came out of the budget, there were still too many LAC

and work would be undertaken to repair rather than rescue families. The Deputy Leader added that the financial consideration was secondary and the welfare of the child was paramount. High cost placements made by the court were in the best interests of the child. It was important to try to bring out of county placements back to family, friends and the community to rebuild links.

The Committee asked if the remodelling of children's residential care was internal or external. Members were advised that it would be an internal review of two establishments and a report would be circulated shortly.

Members commented that there could be a more efficient way to run Bridgend Resource Centre involving community groups to maximise use in the evenings and on weekends. Members were advised that other options were being considered.

Members thanked the officers for attending the meeting.

Members asked why the Chief Executive was not able to attend the meeting but officers were not aware of the reasons for him sending his apologies.

The Head of Finance and Section 151 Officer explained that the under spend of £140,000 in the Chief Executives Directorate related to the vacant position following the departure of the Corporate Director Resources and shows as an under spend this year but would come out next year.

The budget reduction from putting Council Tax and some aspects of benefits online had an amber status because it reflected the expectation that it would go live at the end of the year but the procurement process was taking longer than anticipated. Members raised concerns for residents that did not have access to the internet and they were advised that people were encouraged to self-serve but the traditional channels would remain in place. At the moment all outbound communication was by mail at a high cost with more than 100,000 bills a year. Interim letters were sent on line if an account was set up in that way allowing the account holder to check payments and the balance outstanding. Agents were trained to encourage residents by saying this could be done on line and helping them to set it up.

The Cabinet Member Communities confirmed that there were no plans to close down the customer service centre. This was a way of providing a 24 hour service in addition to the service already provided.

Operational and Partnership Services

The Committee asked about future plans for the Transformation Team. The Corporate Director – Operational and Partnership Services explained that the team consisted of Project Managers working within each directorate and the section was fully staffed at the moment. The under spend was a result of vacancies in the past.

Members commented on the large amount of green in the Budget Reductions Monitoring table for Operational and Partnership Services. The value of publishing the County Bulletin and the Bridgenders electronically was also discussed.

Under the heading "to reduce costs of ICT systems", savings of £192,000 had already been delivered by the rationalisation and procurement of systems. Server equipment had been purchased which meant there was no longer the need to pay the hosting fee and further rationalisation and reductions would continue.

Recruitment of staff was in a healthier position partly due to the use of apprentices in ICT and training in house staff in legal services.

Members questioned why the column "Overspend/(Under) Spend £000" in the table "Capital Budget Monitoring to 30th June 2016" was unpopulated. The Head of Finance and Section 151 Officer explained the report had been presented to the June Council meeting and was up to date at that time.

Members thanked the officers for attending the meeting.

Conclusions:

Communities

- a) The Committee requested they receive the statistics on fly tipping reported incidents in the County Borough, by ward level, for the last twelve to eighteen months, along with information on enforcement. Members asked to receive detail of how the Authority is enforcing the laws surrounding fly-tipping including a full explanation of the role of enforcement officers and evidence of their work.
- b) The Committee asked that an additional column be added to the appendices within future report to detail the impact of the budget reductions.

Education

- c) The Committee asked for further information on whether any work has been undertaken to explore the viability of secondary school pupils using service buses for home to school transport and whether this would be at a reduced cost to current expenditure. Members requested that if this has not yet been considered, that work be undertaken to look at the feasibility of utilising service buses, including exploring if any other Local Authorities have had any success using such methods.
- d) The Committee asked for further information as to what reductions were planned to offset the Home to School Transport overspend.

Social Services

- e) Whilst understanding the rationale behind not wanting to assume individual's transitional needs from Children's services to Adult's in terms of Learning Disabilities Residential Care, the Committee maintained concern over the lack of planning for individuals transitioning between the two teams, such that it causes an overspend of £570,000 as reported. The Committee asked for a breakdown of the £570,000 overspend and also recommended that this be an area to flag up with the Children and Young People (CYP) or Adult Social Care (ASC) Overview and Scrutiny Committees as an item for consideration on their forward work programme.
- f) The Committee asked that they receive a breakdown of the reduced costs within the LAC Budget as a result of LAC leaving or coming out of care as well as costs associated with individuals moving from out of county to in house provision.
- g) The Committee requested that they receive detail of the base budget for LAC which led to the £357,000 predicted saving for 2016-17.
- h) The Committee requested comparative data for LAC from other LAs across Wales to understand where Bridgend stands in its numbers and associated costs.

- i) Members requested that their serious concerns over the rise in the number of LAC be raised with the CYP Overview and Scrutiny Committee for consideration during their next meeting under the item of Early Help and Permanence. The Committee requested that questions be raised to try and determine why Bridgend's figures for LAC are reported to be high in comparison to other LAs in Wales; whether Bridgend is more risk averse; whether other LAs have better preventative services?

Operational and Partnership Services

- j) The Committee commended the work being undertaken to 'grow your own' staff in the legal and IT department, with an increase in the number of apprenticeships in response to difficulties in filling posts. Members recommended that this be encouraged across the Authority with a Corporate approach as it enables staff career progression.

Recommendations to Cabinet

Communities

1. The Committee expressed concern over the ongoing budget reductions not achieved from 2015-16, specifically those in relation to the implementation of charging Blue Badge Holders for parking as well as the review of staff car parking charges. The Committee recommend that a decision be made as to whether these proposals are going to be progressed or not and if so that they be actioned within the current financial year.

The Committee recommends that if budget pressures are outside of the control of the individual Directorate, consideration be given, on a case by case basis, as to whether the budget should be dealt with corporately across the Authority in order to share the burden. Whilst appreciating that all Directorates are experiencing budget pressures, the Committee consider that the services within the Communities Directorate are being disproportionately affected by the difficulties in the savings being achieved in relation to MREC. The Committee therefore recommends that as these pressures are outside of the Directorates control, the budget for MREC be dealt with corporately.

213. PROCUREMENT

The Corporate Director Operational and Partnership Services presented a report on how the Local Authority was getting best value for money on services and goods and what other local authorities were doing in the UK and wider. He explained that it was common sense to secure the best deal possible. It was important to understand the value of procurement as demonstrated by savings of £800,000 in school transport alone.

The corporate procurement project had a number of work streams to deliver the outcome of ensuring efficiency in the purchase of goods and services through the management of contracts and effective cross directorate overview of procurement. A task and finish group had been set up to review and update the internal contract procedure rules to ensure the authority had the ability to be innovative and flexible in the way it bought goods and services. This would include a review of the contract thresholds to ensure procurement could be undertaken at the right level with a balance of probity but also speed.

The Procurement Team worked with local providers to ensure they had access to the Authority's service requirements, encouraging small to medium size enterprises to bid for business. Purchasing cards had been rolled out across the relevant departments in

the authority. The team was working closely with Finance and Welsh Government to ensure implementation of EProcurement and the roll out of Basware, an electronic system providing an electronic marketplace across the authority. The team continued to roll out eTendering with full electronic tendering to be implemented by April 2017. A Corporate Contracts Register had been implemented via the etenderwales portal and staff trained on how to upload any contracts/spend. The introduction of a pre tender form, a category management approach, the use of fully procured frameworks offering the best value for money, E auctions and non-cashable savings all contributed to an improvement in the efficiency of the authority in the purchase of goods and services.

The Authority was in a good position to maintain its improvement in procurement across the Authority and to further develop a culture ensuring that procurement was seen as a positive force in the delivery of services and cost reduction.

The Committee asked why purchasing cards were not well accepted locally. The Corporate Director Operational and Partnership Services explained that they were useful for small purchases in the same way you would use a debit card but not normally used in larger purchases.

Members referred to the number of national procurement frameworks and asked if in order to drive costs down, staff in these frameworks were on zero hours contracts. The Corporate Director Operational and Partnership Services explained that staff were employed by Welsh Government and not by the Authority on zero hours contracts. There was one National Procurement Service and a number of frameworks within e.g. solicitors and food. There were other organisations in England with frameworks that the Authority could join and this was better than undergoing an individual procurement process.

The Committee acknowledged that County Borough Supplies were already using these systems. They provided an excellent service particularly to schools and were supported by the frameworks however; there was an element of internal trading which was not efficient .

Members asked how frequently prices were updated. The Corporate Director Operational and Partnership Services explained that this was one of the reasons for looking at other frameworks and being an intelligent client.

The Committee questioned the etender process and the savings of £800,000. They asked if there was an increase in the number of companies that applied and if they were new companies. The Corporate Director Operational and Partnership Services explained that he was not aware of any increase from outside the area but those that were already contracting with us were prepared to drop their fees. This process did drive down the prices although he would not expect to see the same savings again. Members thanked the Corporate Director Operational and Partnership Services for the presentation and for providing clarity when it came to the procurement process and potential for the future.

Conclusions:

- a) The Committee expressed positive comments regarding the initiatives and work being undertaken under the corporate procurement project particularly in relation to the potential for saving money and the way in which procurement frameworks can help local businesses. Members strongly encouraged the sharing of this culture across the Local Authority with the objective of making savings and ensuring best value for money.

The Committee requested that a future report be received at an appropriate time in next year's forward work programme with focus on outcomes and progression of the various workstreams of the procurement project.

214. FORWARD WORK PROGRAMME UPDATE

The Corporate Director Operational and Partnership Services submitted a report, the purpose of which, was to present the items due to be considered at the Committee's meeting on 7 December 2016, and seeking confirmation of the information required for the subsequent scheduled meeting to be held on 17 January 2017, and finally, present a list of further potential items for prioritisation by the Committee.

RESOLVED That Committee:

1. Noted the topics due to be considered at the meeting of the Committee for 7 December 2016 and confirmed that it did not require any additional specific information to be provided by the invitees listed or the Overview & Scrutiny Unit;
2. Determined the invitees to be invited to attend, any specific information it would like the invitees to provide as well as any research that it would like the Overview & Scrutiny Unit to undertake in relation to its following meeting scheduled for 17 January 2017;
3. Revisited and considered the list of future potential items for the Committee's Forward Work Programme and reprioritised as the Committees deemed appropriate. "Rationalising the Council's Estate including Depot Rationalisation" due to be considered at 8 February 2017 meeting changed to 15 March 2017 and "Business Plan 2016/17" moved to 8 February 2017.

215. URGENT ITEMS

None.

The meeting closed at 5.40 pm