

SCRUTINY COMMITTEE - RESOURCES

18 March 2015

Present:

Councillor Baldwin (Chair)

Councillors Mottram, Bialyk, Bull, George, Lyons, Morris, Robson, Sheldon and Winterbottom

Apologies:

Councillors Brock, Spackman and Tippins

Also present:

Chief Executive & Growth Director, Deputy Chief Executive, Assistant Director Finance, Corporate Energy Manager, Scrutiny Programme Officer and Democratic Services Officer (Committees) (SLS)

In attendance:

Councillor Peter Edwards - Leader
Councillor Ollie Pearson - Portfolio Holder Enabling Services

15 **Minutes**

The minutes of the meeting held on 28 January 2015 were taken as read and signed by the Chair as correct.

16 **Declarations of Interest**

Members made no declarations of discloseable pecuniary interest.

17 **An Energy Neutral Council - A Renewables and Energy Efficiency Programme Update**

The Corporate Energy Manager presented an update on the Renewables and Energy Efficiency Programme work that had been undertaken during the first year of the programme and since the previous report to Scrutiny Committee - Resources on 17 September 2014. The report also included the financial benefits and savings of the projects completed in this financial year, as well as the projected savings. A copy of the 'Indicative Delivered Electricity' rate breakdown for 2015/16 was circulated which illustrated the various charges and levies applied.

The Corporate Energy Manager provided a further update on the report, advising that following the installation of new LED lights in three of the city's car parks, feedback had indicated that the lights at the Harlequins Centre car park had made a significant improvement to the parking environment. Initial work on the Car Park Canopy Solar PV Scheme at Mary Arches and John Lewis car parks was also progressing well. This pioneering scheme was a first for a local authority nationally. A further update would be made at the next meeting. She also referred to the LED lights replacement programme at the Civic Centre, which was nearly complete. Apart from the significant level of savings made, staff were already appreciating the benefits in their working environment.

Responding to a number of advance questions, the Corporate Energy Manager advised that:-

- it was important to identify where the biggest savings could be made, and the installation of LED light bulbs in car parks was part of a major project to reduce energy costs for the City Council. Public realm could look at some of their areas, but Devon County Council were responsible for street lighting.
- the cost of the boiler replacement at the Civic Centre will be £150,000, and design work, procurement and specialist engineering advice had been carried out by the in-house staff from North Somerset Council, who had recently carried out a similar project.
- a power purchase agreement such as suggested for Quay Climbing would provide a legal agreement to provide the means to sell renewable energy to the leaseholder.
- the actual cost of charging a car at the EV Charge points, ranged from 60p to 82p, depending on the type of vehicle. The investment in the EV Project had been minimal as the cost of the installation of the charge points was paid for by a government grant, and the infrastructure provides the future opportunity to pay for the facility.

The Chair welcomed the greater use of solar power technology and the savings achieved so far. She recognised that some of the older properties would present more of a challenge, but acknowledged the efforts made to include this technology in new build. She asked whether there were plans to put solar panels on the new leisure complex. The Deputy Chief Executive advised that they were not in a position to confirm the final design, but they were working with the project's Design Team and would consider sustainability and energy efficiency factors as well as being linked to the District Heating Scheme to provide a cost efficient way of providing energy to the Leisure Centre.

Scrutiny Committee - Resources noted the following: -

- (1) progress made to date, and in year one the delivery of the Renewables and Energy Efficiency Programme and in year two the feasibility work in progress; and
- (2) a further presentation be made to Scrutiny Committee - Resources.

18 **Overview of Revenue Budget 2014/15**

The Assistant Director Finance presented a report which advised Members of the overall projected financial position of the General Fund Revenue Budget and Housing Revenue Account for the 2014/15 financial year after nine months. Members were advised of the main variances within the Scrutiny Committee's budgets, which showed a projected underspend of £299,810 against a revised Service Committee budget of £12,472,740. The Housing Revenue Account working balance is £7,218,245, with an underspend in total of £2,629,576. There had been a delay in fulfilling the capital programme and a reduction in the short term maintenance budget as work was deferred or no longer required. There were no supplementary budget requests this quarter.

Responding to a question from a Member submitted prior to the meeting, the Assistant Director Finance stated that :-

- an overspend in General Fund Housing related to the provision of temporary accommodation , and the underspend of £11,041 in respect of repairs maintenance related to our own council housing;
- the overspend within the Democratic representation budget was in relation to a proposed new Members' Allowance which was not taken forward.

He responded as follows to Members' queries:-

- the overspend was due to a delay in the implementation of the new licensing scheme for certain types of Houses in Multiple Occupation.
- a pool of regular agency staff was used to provide sickness and holiday cover for the domestic refuse collection rounds, and there was a growing trend for a higher sickness rate coupled with the need to staff an increased length of the rounds. The Deputy Chief Executive confirmed that this matter was already under review to resolve the situation. It was also agreed that a colleague from Waste Services would be invited to the next meeting to outline some of the pertinent issues relating to staffing.
- car park charges had remained static, but there had been a slight decrease in car park revenue and this was being monitored. Every effort was being made to address the downturn in Estates revenue from the retail units on South Street.
- an underspend of £69,000 related to net interest paid which occurred when spending was not possible or required. The Member suggested that some speculation to accumulate should be made, but it was acknowledged that there had to be a balance.
- new working arrangements with the Department of Work and Pensions had caused an increase in housing benefit overpayment, which had resulted in an increase in outstanding sundry debt. There continued to be a number of challenges in the workflow across the recovery of debt, and officers were working hard to address this.
- expenditure in relation to consultancy fees was less than anticipated in relation to the redevelopment of the Bus Station site.

Scrutiny Committee - Resources supported the report and recommended approval by Council (where applicable) of the:-

- (1) General Fund forecast financial position for the 2014/15 financial year;
- (2) HRA forecast financial position for the 2014/15 financial year;
- (3) the additional supplementary budgets as listed in Appendix C;
- (4) outstanding Sundry Debt position as at December 2014; and
- (5) creditors' payments performance; and
- (6) the Council Tax and Business Rates collection performance.

19 **Capital Monitoring Statement to December 2014**

The Assistant Director Finance presented the report to update Members on the current position in respect of the Council's revised annual capital programme and to advise Members of the anticipated level of deferred expenditure into future years. The revised capital programme for the current financial year was £23.168 million. During the first nine months of the year, the Council spent £11.098 million on the programme, which equated to 47.90% of the revised programme. He referred to two capital schemes which have been completed since the last quarter, including

£3 million paid to the Environment Agency, as part of an overall £30 million flood defence scheme, and also a more energy efficient condensing boiler was installed at Wonford Community Centre.

Responding to a question from a Member submitted prior to the meeting, the Assistant Director Finance clarified that an additional capital request for £32,800 had been made to develop a tree management system which would enable the exact location of fallen or damaged trees in the city to be accurately recorded. This was using technology as part of a project developed by the UK space agency. Bartec Auto ID would be funding the project and the only expense to the City Council was for a minimal amount of travel and subsistence. He also responded to a suggestion that an underspend in respect of smoke detector replacements could still have been used for more vulnerable occupants in council accommodation, confirming that the underspend would be passed back, but he would pass on members concerns to colleagues in Housing.

Scrutiny Committee – Resources noted the current position in respect of the annual Capital Programme and recommended approval by Council.

20 **Budget Monitoring (3rd Quarter)**

The Assistant Director Finance presented the budget monitoring report, which advised Members of the material differences by management unit to the revised revenue budget. There was a significant underspend of £381,090 after transfers from reserves and revenue contributions to capital. This represented a variation of 6.55% from the revised budget, and included supplementary budgets of £184,120. The main deviations from the budget were set out in the report.

He responded to a Member's enquiry regarding a £14,000 overspend in respect of the civil ceremonies budget and advised that it was the inclusion of lost income for a commercial letting adjacent to the historic Guildhall under the civic ceremonials budget. He would discuss the inclusion of the cost centre detail in the Commercial Property budget, with the Corporate Manager Property.

Scrutiny Committee – Resources noted the report.

21 **Social Media Task and Finish Group - Initial report**

Councillor Bull, Chair of the Social Media Task and Finish Group, presented a report which outlined the conclusion of the Task and Finish Group's investigations into the Council's current use of and presence through social media, and the individual experience as well as providing an update to the Scrutiny Committee - Resources together with recommendations for approval.

The Group had been tasked with exploring whether the Council's current use of social media continued to enhance effective engagement with the local community, individuals and external organisations and to investigate whether any improvements were desirable or necessary. Members acknowledged the ever increasing importance of social media and its effective use which afforded the Council a heightened profile and which could also enhance the speed at which the Council could respond to enquiries and deliver services.

Councillor Bull advised that the Group would look to develop any opportunity to maximise any benefit for both Members and the public. Members discussed the need for some caution when using social media. A Member welcomed the opportunity for social media training.

Scrutiny Committee - Resources welcomed the opportunity to consider and comment upon the ideas submitted by the Social Media Task and Finish Group and noted the following activity including:-

- (1) to hold social media training which should be incorporated into the Councillors' induction training programme;
- (2) acknowledgement that the finding that the Council's current use of and presence through social media is of a high standard and as such, no further improvements were considered necessary at this point in time;
- (3) this Task and Finish Group should meet once more in 9 months' time to review the position to see if it remains the same or whether there were any suggested improvements; and
- (4) this Task and Finish Group report back to the Scrutiny Committee - Resources in October 2015, with a full update on the position together with any further recommendations.

The meeting commenced at 5.30 pm and closed at 6.30 pm

Chair