

SCRUTINY COMMITTEE - RESOURCES

1 July 2015

Present:

Councillor Bull (Chair)

Councillors Buswell, Baldwin, Bialyk, Brock, George, Harvey, Lyons, Sheldon and Wardle

Apologies:

Councillors Mottram, Robson and Edwards

Also present:

Deputy Chief Executive, Assistant Director Finance, Corporate Manager Democratic and Civic Support, Corporate Manager Property, HR Transactional Services Manager, Scrutiny Programme Officer and Democratic Services Officer (Committees) (SLS)

In attendance:

Councillor Pearson	- Portfolio Holder Enabling Services
Councillor Hannaford	- Portfolio Housing Revenue Account (Customer Access)

22 **Hazel Ball**

The Chair wished to pay tribute to Hazel Ball, a former City Council Strategic Director, who sadly passed away after a brief illness. He referred to over 35 years of dedicated service, her working life and after her early retirement, the ways in which she continued to influence life in Exeter, including as a staunch supporter of Exeter Citizens Advice. Members observed a minute silence as a mark of respect.

23 **Minutes**

The minutes of the meeting held on 18 March 2015 were taken as read and signed by the Chair as correct.

24 **Declarations of Interest**

No declarations of disclosable pecuniary interest were made.

25 **Portfolio Holder's Statements**

The Portfolio Holder for Enabling Services, Councillor Pearson and Councillor Hannaford, in his previous role as Portfolio Holder for Customer Access presented an update on the work programme and broad priorities relevant to their portfolios for 2014/15. All Portfolio Holders would be working closely with officers to refine and develop these priorities over the coming months. The refined list of priorities for 2015/16, which would also include outcomes and targets, would be published in the Council's Corporate Plan.

Councillor Edwards, the Leader had made his apologies for the meeting, but, any questions would be forwarded to him.

The following responses were given to Members' questions by Councillor Hannaford in respect of the Customer Access portfolio:-

- referring to a response given to a public question at the last meeting of Scrutiny Committee - Community in relation to the City Council's repair programme in respect of damp ingress, he was able to confirm that a tender had now been signed off to ensure that the necessary repairs would be made as a priority to those tenants, who were particularly vulnerable in terms of their age or health. He invited Members to contact him or the responsible team regularly in respect of any other affected properties in their wards.
- use of the 15% neighbourhood proportion of the Community Infrastructure Levy (CIL) would ensure the mapping of community assets continued.

Councillor Pearson referred to the approach by the City Council to develop a significant energy saving strategy by 2030, and this was well under way with the replacement boiler at the Civic Centre, solar panels in the Council's car parks and at the Museum. In addition, significant revenue savings had been made. He wished to thank the sterling efforts of the Corporate Energy Manager and her team who had been working to take this project forward. This project now came under the City Development portfolio of as part of the Green Infrastructure.

26 **Annual Scrutiny Report 2014/15**

The Scrutiny Programme Officer provided an update on the progress and work of scrutiny within the City Council's political framework for the period 2014/15. The report included a synopsis of the Task and Finish Group investigations, a review of the proposals for the Scrutiny system and timetabling/plans for 2015/16.

Scrutiny Committee – Resources noted the report and were content with the progress and direction of Scrutiny over the past year, together with the proposals on direction for the forthcoming year, and approved the Annual Scrutiny report for publishing on the Council's web site.

27 **Capital Monitoring 2014/15 and Revised Capital Programme for 2015/16 and Future Years**

The Assistant Director Finance presented the report which updated Members of the overall financial performance of the Council's capital programme for the 2014/15 financial year. The capital expenditure amounted to £16,502,192, a reduction of £2,772,658 on the planned figure of £19,274,850. The actual expenditure during 2014/15 represented 85.62% of the revised capital programme, and £2.283 million would need to be carried forward to be spent in future years. The report sought approval of the 2015/16 revised capital programme, including a number of further funding requests, and commitments carried forward to be spent in future years, as detailed in an appendix circulated with the report. Further background to a request to replace the existing roof of the Livestock Centre was circulated.

The Assistant Director Finance responded to a number of questions from Members –

- replacement of the roof sheets with solar PV tiles was not financially viable or practical, with the product being double the cost, and with 20% less efficiency in terms of generating capacity than standard Solar PV panels. They were also difficult to use for retrofit and significantly more susceptible to failure. However, technology for this product range was constantly improving, allowing renewable solutions in otherwise sensitive areas.

- space age technology working with Bartec Auto ID, was being used to help pin-point trees in Exeter as part of a ground-breaking pilot scheme. Currently tree officers had to use traditional mapping to pinpoint a tree and the information was fed into an iPad and then transferred to a database once back in the office. The City Council had secured funding from the UK Space Agency to help develop a tree management system that would allow officers to report the exact location and details of fallen or damaged trees in the city.
- the Museum shop would provide additional income generation opportunities and the project was still in its early stages after having been approved in April 2015. Work was currently being undertaken in conjunction with Benbow on preliminary designs in order to come up with a package to enable quotes to be obtained. It was hoped that the shop would open in late November.
- it was now possible to obtain a greater level of information including the length of stay from the new pay and display car parking machines, including the pay on foot machines, although it was acknowledged that they were not able to accept debit card payments.
- every effort had been made to ensure that the snagging works at Exeter Arena were pursued quickly to avoid the peak season for clubs and users. Officers had been working with Legacy Leisure and the contractor to avoid any cancellations.
- as part of the energy saving projects, every effort had been made to coordinate the installation of LED lighting in the Civic Centre with a number of office moves. The first stage of the car park canopy installation was about to commence and the canopy would follow shortly. A further report on the progress being made, would be presented in September.
- Wessex Home Loans included a committed figure that was actually far higher than the value of loans eventually paid out. Wessex repayment loans were lent at a rate of 4%, and were available to individuals with a good credit rating and income, but who would not normally be offered a loan elsewhere. A 'loan pot' associated with each member local authority includes a risk of default payments, but every effort was taken to minimise that risk. The funds were in effect recycled and there were currently no bad debts associated with this scheme.
- work required on Turf Locks would be carried out in the winter months. Officers were trying to resolve how to position an 80 tonne crane to be able to carry out the required work and were considering a number of options, including making good an adjacent track. It was anticipated that the work would be completed by April.
- funding for the provision of large TV screens in the city centre for the promotion of activities and events also included maintenance as part of an ongoing service contract which will be negotiated with the company providing the screen.
- the necessary internal access doors within Phase 1 to ensure staff accommodation remained secure, would be installed in the next few weeks.

Scrutiny Committee – Resources noted the report and recommended Executive and Council approve the following:-

- (1) overall financial position for the 2014/15 annual capital programme; and
- (2) amendments and further funding requests to the Council's annual capital programme for 2015/16.

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

The Assistant Director Finance presented the report which advised Members of the overall financial position of the Housing Revenue Account and General Fund Revenue Budgets for the 2014/15 financial year. The report sought approval for the General Fund working balance, and the HRA working balance, and paid tribute to all those involved who had worked to turn around a challenging position in respect of the Housing Revenue Account. He also provided the background to a number of supplementary budgets totalling £1,320,610, which had been included in the report.

The following responses were given to Members' questions:-

- Payment at pay and display machines through credit cards had achieved £142,000 of unexpected income;
- an assurance that the routine maintenance of the essential network of CCTV cameras and replacement of faulty hardware would continue;
- the level of write-offs in respect of council tax was under constant scrutiny, but cases of debt involving debt relief orders or bankruptcy were growing year on year.

A Member commented on the Markets and Halls team and their contribution to the Council's income stream through the delivery of an attractive programme of events, and he hoped, that at some point, issues such as the limited capacity could be addressed. The Corporate Manager Property stated that, as part of an Asset Management programme, a number of projects would be taken forward in the future. The emphasis was currently on the Bus and Coach Station site, but after this project, the area around the Fore Street, North and South Street interchange would be addressed, and this should rebalance the city centre and also the level of void properties in South Street.

Scrutiny Committee – Resources noted the report and requested that Council note the overview of the Resources Budget for 2014/15 and approve (where applicable):-

- (1) the net transfer of £800,076 from Earmarked Reserves as detailed in paragraph 8.3.6;
- (2) supplementary budgets of £1,458,610 as detailed in paragraph 8.3.6;
- (3) Earmarked Reserves at 31 March 2015;
- (4) the Council Tax account and collection rate;
- (5) the outstanding sundry debt, aged debt analysis and debt write-off figures;
- (6) the creditor payments performance;
- (7) having regard to the General Fund working balance of £3,974,518 as at 31 March 2015, and overall financial position of the Council as set out in paragraph 8.3.7; and
- (8) the Housing Revenue Account working balance as at 31 March 2015 £7,772,403 and the Council Own Build working balance of £127,994.

29 **Treasury Management 2014/15**

The Assistant Director Finance presented the report on the overall performance for the 2014/15 financial year, and the position regarding investments and borrowings at 31 March 2015. The report, which was a statutory requirement, set out the detail of investments made and levels of borrowing by the City Council.

Scrutiny Committee – Resources noted the Treasury Management report for the 2014/15 financial year and recommended approval by Executive and Council.

30 Budget Monitoring - Scrutiny Committee Resources - Final Accounts 2014/15

The Assistant Director Finance presented the report which advised Members of any major differences, by management unit, between the approved budget and the outturn for the financial year up to 31 March 2015 in respect of the Scrutiny Committee – Resources. The total variance for the year showed a surplus of £471,523 after transfers from reserves and revenue contributions to capital, as detailed in an appendix incorporated with the report. This represented a variation of 8.42% from the revised budget.

Scrutiny Committee – Resources noted the content of this report.

31 Annual Workforce and Learning and Development Profile

The Human Resources Transactional Services Manager presented the report, which provided the following information, which were attached as appendices to the report:-

- a comprehensive profile of the Council's workforce (as at 31 March 2015) benchmarked where appropriate against the Labour Market Statistics for Exeter as captured by the 2011 Census and the workforce profile as at 31 March 2014;
- HR performance data in respect of people resources and sickness absence during 2014/15; and
- information in respect of approach to Learning & Development activity for 2014/15

A Member commented on the inclusion of an individual's marital status as such information need no longer be reported. The Deputy Chief Executive responded to a comment on the current representation of society within the Council's workforce. The suggestion that an Equalities and Diversity Task and Finish Group be formed had already been made, but the Group should consider ways in which potential employees from these groups could be encouraged to work for Exeter City Council. Members welcomed the opportunity to share good practice in this area.

Scrutiny Committee – Resources noted the report.

32 Members Allowances Paid 2014/15

The Corporate Manager Democratic and Civic Support presented the report on allowances paid to Elected Members in 2014/15. The Council had a statutory obligation to publish all allowances paid, and expenses claimed by Members each financial year. He responded to a Member's comment on the possibility of claiming a dependents' carers' allowance, whilst a Member was on official business.

Scrutiny Committee - Resources noted the allowances paid and expenses claimed by Members in 2014/15.

33 Update on Recommendations from Income Generating Measures Task and Finish Group

Councillor Bialyk, as the Chair of the Income Generating Measures Task and Finish Group, provided an update on the work of the Group. This had been a difficult area to

carry through work with ever diminishing resources, with the aim of speculating to accumulate. He referred to main areas which the Group had considered:-

- Solar Photovoltaic site on Council owned land.
(A further update will be made to the September meeting of Scrutiny Committee Resources).
- A dedicated member of staff to bid for external funding.
(The Corporate Manager, Policy/Communications is due to meet the Policy and Marketing Manager of the Big Lottery Fund to explore other options)
- Use of St Nicholas Priory for weddings and maximising the use of RAMM for corporate events.
(An update report is included on this agenda)
- Selling external advertising on the outside of car parks in a prominent place.
(An update report is included on this agenda)
- Exeter has a number of parks and open spaces which are not utilised to their maximum potential. The Council could look into holding events (eg concerts) in parks; licensed ice cream vendors in parks; open air cinemas; weddings; more car parks; more paid facilities in parks.
(It is anticipated a report will be presented to the Scrutiny Committee Resources in January 2016)
- Museum – voluntary donations for entry.
(This is a work in progress with a number of initiatives being considered)

Councillor Bialyk wished to thank the Scrutiny Programme Officer for her support of such groups.

Scrutiny Committee – Resources noted the report.

34 **St Nicholas Priory (Income Generating Measures Task and Finish Group)**

The Corporate Manager Property presented the report which updated Members on the current situation regarding the structural condition of St Nicholas Priory; its ongoing closure; steps being taken to remedy the problems identified; and potential future uses of the building together with the income generating potential of those uses.

He also responded to a Member's question about the efforts made to obtain grant aid, confirming that grants through Historic England were now very limited, but he was able to confirm that the Heritage Lottery Fund had indicated that St Nicholas Priory may be eligible for a grant from their 'Our Heritage' scheme, which was for projects of between £10,000 and £100,000. A meeting had been scheduled with the Heritage Lottery Fund officer to try to take this forward. A proportion of match funding would be required, but a successful bid would help to restore public access whilst structural investigations, including internal propping work, was carried out. Other funding opportunities would continue to be explored.

Scrutiny Committee Resources noted the following:-

- (1) current position regarding the building;

- (2) the steps taken to address that position be endorsed, subject to the financial implications being fully identified and resourced; and
- (3) the Museums Manager, in consultation where appropriate with the relevant Portfolio Holders and the Corporate Manager Property, develop the future uses of the building with these being presented to a future meeting of Scrutiny Committee - Resources ready for implementation in good time for a potential re-opening.

35 Car Park Estates Advertising Potential (Income Generating Measures Task and Finish Group)

The Corporate Manager Property presented the report and referred to the Income Generating Measures Task & Finish Group, who had requested that the Car Parks and Corporate Property units explore the income generating potential of advertising on the car park estate. This report updated the Scrutiny Committee on the progress made on this proposal, which could include taking a broader, more holistic approach to this matter in respect of the Council's real estate.

It was noted that a meeting with an advertising media consultant had been arranged to provide the opportunity to work up a number of recommendations in an effort to generate new income streams in respect of these sites. A package of sites could be offered coordinating a number of free-standing perimeter or board mounted poster sites; possible digital advertising sites as well as smaller internal board advertising within multi-storey and surface car parks. He responded to Members' enquiries and confirmed that they would adhere to advertising guidelines and meet planning conditions.

Scrutiny Committee – Resources noted the report and that a further proposal to consider the way forward would be reported to the September meeting of this Scrutiny Committee.

36 Local Government (Access to Information) Act 1985 - Exclusion of Press and Public

RESOLVED that, under Section 100A (4) of the Local Government Act 1972, the press and public be excluded from the meeting for the consideration of the following item on the grounds that it involved the likely disclosure of exempt information as defined in Paragraph 3 of Part I, Schedule 12A of the Act.

37 Waste Operations Staff Levels

The Assistant Director Environment presented an update on current Waste Operation staffing levels and referred to this unique service, which had to complete the task of visiting over 11,000 households every day. The staff worked hours set to an industry standard, but the very nature of the work included a difficult environment, heavy lifting, negotiation of Exeter's streets, and visiting an ever increasing number of houses. The work was demanding and sickness levels were above those working in a more sedentary employment. An optimum number of staff was required for the actual rounds and, particularly, at the Materials Recycling Facility (MRF), to maximise the recycling revenue opportunities. Agency staff were used, as appropriate, to supplement employed operational staff.

A Member congratulated the staff as well as the team at the MRF for the professional and efficient way they dealt with their job.

Scrutiny Committee - Resources noted the following:-

- 1) explanation for spending on waste operations and Materials Reclamation Facility staff, and the actions being taken to mitigate the situation; and
- 2) supported the further investigation into the optimum balance of agency and employed operational staff required for the service, with a detailed report to follow at a future meeting.

The meeting commenced at 5.30 pm and closed at 7.20 pm

Chair