

SCRUTINY PANEL

11 JUNE 2013

- Present :-* Councillor Beverly Davies (Chairman)
Councillors Nick Cope, Marcus Harrington, Dave Harris,
Jo Hayes, Peter Higgins, Mike Hogg and Gerard Oxford
- Substitute Member :-* Councillor Will Quince for Councillor Kevin Bentley
- Also in Attendance :-* Councillor Tina Bourne
Councillor Annie Feltham
Councillor Paul Smith
Councillor Nigel Chapman
Councillor Dennis Willetts
Councillor Sonia Lewis

3. Minutes

The minutes of the meeting held on 22 May 2013 were confirmed as a correct record.

4. Have Your Say

Mr. Andy Hamilton addressed the Panel saying the Council continued to refuse to discuss major issues such as the Visual Arts Facility (VAF) for which he said the Council continues to squander money to this building, such as the £384k spend noted in the 2012/13 Capital Work Programme report, and the wall in Sussex Road for which the Council will not allow the wall to be rebuilt by volunteers or pay for the rebuild themselves.

Mr. Hamilton said the redevelopment of the Old Bus Station had stopped and there had been a shameful neglect of the Tymperleys building, where the successful bidder to occupy the building had withdrawn their interest and where there remained issues around public access to the building.

Mr. Hamilton concluded by saying this spending of public money, together with the loss of public grants, was a warning to managers of the Council's finances.

Councillor Sonia Lewis addressed the Panel to explain the issues surrounding the Sussex Road Meadow and Wall. Councillor Lewis said the area and the wall was not owned by the Council and as such was not the responsibility of Colchester Borough Council.

Councillor Lewis said Councillors continued to speak to the public in an attempt to keep the area tidy and are also in conversation with the East Lexden Residents Association and Lexden History Group to help work to this end. She hoped it may be possible to have the land in question registered and then the wall rebuilt, and because the wall is in a conservation area it may attract a £500 S106 contribution towards the repair.

5. Items requested by members of the Panel and other Members

Councillor Willetts addressed the Panel to propose an item for scrutiny.

Councillor Willetts said that given the significant investment made by the Council in IT services there was an expectation that IT related problems would gradually improve. Councillor Willetts said he had not noticed any current improvements.

Very recently, Councillor Willetts tried to help a local constituent that he was confident could be dealt with via the Colchester's website. Unfortunately he was not able to gain access at his home computer. It took Councillor Willetts 12 minutes to boot-up using the Member's Room computer, only for this to freeze and take a further 10 minutes to reboot. Councillor Willetts said this illustrates the poor state of the IT services.

Councillor Willetts said with Council's moving towards information services and self serve it was imperative they provided the IT services fit for purpose for one hundred percent of the time. Councillor Willetts proposed to the Panel that a scrutiny review of the IT implementation plans and targets to determine value for money was undertaken.

6. Work Programme

Mr. Robert Judd, Democratic Services Officers introduced the new Work Programme for 2013/14. He explained that whilst there was items for review programmed to all the meetings, apart from the June and July meetings there was scope to add further review items requested by the Panel to the Work Programme.

Councillor Davies said she believed there was too many substantial items for review on the evening's agenda, and in consultation with the other Group Spokespersons agreed that the last item on the agenda, New Housing Arrangements Proposal, would be deferred this evening, and proposed to the Panel that this item be taken at an extra meeting in late June. Councillor Hogg concurred with this new arrangement.

Councillor Davies also suggested to the Panel that the IT review proposed by Councillor Willetts was added to the Work Programme.

Councillor Hayes enquired about a possible review of the North Essex Parking Partnership (NEPP). Mr. Judd and Mrs Hedges, Chief Operating Officer explained that NEPP was responsible to the Joint Committee, whose primary decisions taken are for On-Street Parking across the whole of north Essex. These decisions are referred to Essex County Council, the responsible authority, for further review. It was therefore felt this might not be a piece of work appropriate for Colchester's scrutiny panel. However, it was understood that there was a lack of understanding across Members about how the NEPP worked and Mrs Hedges agreed to arrange for the Parking Partnership Manager to provide members with a short briefing note explaining the principles and working and governance arrangements.

RESOLVED that the Panel noted the Work Programme and agreed to the proposed changes.

7. Year-end Performance Report including Strategic Plan Action Plan Plus proposed targets / actions for 2013/14

Councillor Davies (in respect of being a trustee of CCVS), Councillor Quince (in respect of being a trustee of Grassroots) and Councillor Harris (in respect of being a Founder Member of Colchester in Bloom) all declared a non-pecuniary interest in the following item pursuant to the provisions of Meetings General Procedure Rule 7(5);

Councillor Smith, Portfolio Holder for Business and Resources and Ms. Lucie Breadman, Head of Community Services attended the meeting for this item.

In response to Councillor Harris and his concerns that the affordable housing targets for 2013/14 and empty homes bought back into use will not be reached, Councillor Smith said there remain issues where development sites are rendered unviable and in such cases the number of social housing units has to reduce. That said he believed that given the current economic climate the 133 units delivered in 2012/13 was still a very good result. In respect of empty homes, Councillor Smith said it was too early to say whether the 270 homes bought back into use by March 2015 will be achieved though anecdotally he had heard that properties have already been filled. In response to Councillor Oxford, Councillor Smith said whilst he accepted that the media is reporting an upturn in the housing market he was advised that prices in Colchester remained static.

Councillor Smith said officers rigorously challenge developers on the number of social housing units to be provided, and as an example did achieve a higher proportion of social housing than Tendring District Council at the former Betts development site. Ms. Breadman said when determining and agreeing the level of social housing units to be provided by a developer the Council do seek independent assessments of the developers and these assessments are paid for by the developer. In response to Councillor Hayes, Councillor Smith confirmed these checks, on land prices for example, are independently made, with a descriptive procedure used by the independent assessors in most cases.

Councillor Harrington said the rise in percentage terms of sickness absence from a target of 7.5 days to a result of 9.18 days was considerable and equated to the average salary and number of staff employed was a major financial concern. Councillor Harrington also said the benchmarking results reported to the February meeting of the Strategic Overview and Scrutiny Panel suggested Colchester has a worse record than many other Essex districts. Councillor Smith said many other Essex districts are reporting a rise in sickness absence with Rochford, Tendring and Brentwood reporting absence higher than Colchester. The trend was to increase though Colchester's performance was better than most. Only in Braintree, where many of the manual services are now contracted-out is sickness showing an improving trend, down this year

to 6.6 days from 6.72 days. Councillor Smith said it remains our intention to continue to manage closely and reduce to a reasonable level.

Councillor Quince said due to the extensive Summary of Awards and Accreditations received, the costs associated with receiving these awards must be substantial and requested a review of the listing with the aim to trim the associated hospitality and travelling costs.

Councillor Quince asked how the missed bin collections was measured, for example, was it missed properties counting as one miss and missed bins counting as multiple misses per property. Councillor Smith said this was a valid point and he would ascertain this information and notify members accordingly.

Councillor Quince asked whether the £1.722m outstanding Council Tax for 2012/13 was added to the £5.5m still outstanding from previous years and in terms of collection rates how did Colchester compare with other Essex districts. Councillor Smith said write-off figures are deducted from current arrears figures and where companies go into liquidation the arrears are retained on the accounts until the courts apportion and distribute monies to outstanding creditors. ***The Panel are asked to note that following the meeting, that as of 1 April 2013 the outstanding arrears figure of £5.5m from previous years included the figure of £1.722m from 2012/13, and Colchester compared quite favourably with other Essex districts being in the top half of Councils in terms of the percentage of Council Tax collected. Collection rates are higher in smaller districts such as Maldon and Uttlesford where local demographics ensure less reliance on council tax benefit.***

In response to Councillor Quince's enquiry about the introduction of the food waste collection across the borough already being reflected in the recycled rates, Councillor Smith said the year end recycled figure only reflected a partial year for food waste collection where food waste is collected, and 2013/14 will see a continuation of the roll-out programme that will reflect positively on the year-end results. Councillor Smith said members would need to ask Councillor Hunt, Portfolio Holder for Street and Waste Services for the reasons for restricting green waste collections during the summer months.

Councillor Willetts addressed the Panel concerning the introduction of Food Waste Collection across the borough, saying that some of his questions had already been answered, but further to these he did not think the sequence of events was clear and any roll-out should provide a noticeable difference, believing the 2013/14 targets of 430 kilograms of waste collected per household and the 43% recycling rate did not appear very challenging given the figures produced by other district councils. It was agreed that a table providing the 2012/13 results for household waste collected and recycled for all Essex authorities would provide some context to the overall situation. Councillor Smith pointed out that the district councils with the highest recycling rates are those who provide wheelie bins, but this method of collection provided poor quality recycling material with a lower value. Councillor Smith also confirmed to Councillor Davies that the Panel had previously received a recycling cost analysis on percentages, tonnage, values and income.

Councillor Smith responded to Councillor Oxford, saying in respect of rent collection, the Council are rigorous in their pursuit of arrears. Given the economic climate a distinction is made between those who can't pay and those who won't pay, and the Council is extremely rigorous in pursuing debts with the latter group. Councillor Smith accepted that the outstanding percentage figure used to be in the mid 99%, but given the economic climate it would be foolish to accept Colchester was immune to the financial pressures on people.

Responding to Councillor Hogg who felt the targets for the average time to re-let council houses (in days) was going backwards (remembering that 20 years ago 10-14 days was achieved) and a downside to this was the longer a property remains empty the greater the chance of the property being vandalised, Councillor Smith said on the surface he agreed with Councillor Hogg's observations, though he expected that when drilling into the detail there are plausible reasons for the increases. Councillor Smith agreed that an explanation on the reasons for the increases was needed.

Councillor Harris suggested to the Cabinet that the results from the Colchester Borough Homes Days of Action (**MakeADifference**) that includes a litter pick blitz, should be added to the overall performance statistics for street cleaning.

Councillor Hayes said the roles of the various action groups for the Air Quality Improvement Actions was confusing. Ms. Breadman agreed to provide an explanation of the roles of the various groups listed in the Appendix 2.

Councillor Cope said it would be helpful and more meaningful if the 'The Planning Appeals allowed' provided some commentary on the reasons for overturning the decision to refuse. Councillor Smith agreed with Councillor Cope suggesting further explanations were needed, plus clarification on what the acceptable levels are.

Councillor Oxford said it would also be helpful to know the cost of administering appeals.

Following discussions on the future introduction of a Park and Ride facility at North Colchester, Councillors generally agreed with Councillor Harrington that the facility should provide a pricing structure that encouraged shoppers and visitors to the town centre, not just commuter traffic. It was felt the suggestions from Essex County Council officers that the pricing will be a charge per person not car will not be too attractive to shoppers and visitors. It was agreed that whilst it was important that members fed their thoughts into the Essex County Council consultation process, the Cabinet should be advised that the Panel would like to see the Cabinet actively lobbying Essex County Council to support a pricing structure that equally attracted both commuters and shoppers and visitors to the town centre.

Councillor Davies said one of the suggestions for next year, a town centre pilot to enforce reductions in littering needed strengthening, that there should be zero tolerance to littering. Whilst the report highlighted that part of a targeted approach to littering (one on many forms of anti social behaviour (ASB)) was increased resources to investigate and issue fixed penalty notices, Councillor Davies asked how many notices of the 237 cases of ASB had actually been issued for littering offences.

Councillor Davies said she would like to see more support given to community groups to help them through the process of applying for community funding, and a suggestion added for the introduction of a skate park in Castle Park. Ms. Breadman said officers are looking to at these types of initiatives where S106 monies is not available because of the limits on its use. Councillor Feltham, Portfolio Holder for Communities and Leisure Services said she welcomed disparate groups becoming formal groups, encouraged to apply for funding.

RESOLVED that the Panel;

- i) Considered and commented on the 2012/13 year end performance summary, the proposed indicators and targets for next year along with the key actions proposed for the Strategic Plan and Action Plan, and the Strategic Plan actions for 2013/14.
- ii) Requested the Cabinet to consider and note the comments and suggestions from the Panel.
- iii) Requested that the costs associated with receiving awards and accreditations is reviewed with the aim to trim the associated hospitality and travelling costs.
- iv) Requested a schedule of dates and relevant areas for the 2013/14 Food Waste collection roll-out programme.
- v) Requested an explanation from Colchester Borough Homes to the reasons for the increase in the 2013/14 average target time to re-let council houses.
- vi) Requested the Head of Operational Services to provide the Panel with a table providing the 2012/13 results for household waste collected and recycled for all Essex authorities.
- vii) Requested the Cabinet to actively lobby Essex County Council to support a Park and Ride pricing structure that equally attracted both commuters and shoppers and visitors to the town centre.

8. Financial Monitoring Report 2012/13

Mr. Sean Plummer, Finance Manager introduced the 2012/13 year-end Financial Monitoring report, to which Mr. Plummer advised the Panel that the accounts for 2012/13 are still subject to external audit.

Mr. Plummer said the General Fund year end position shows a £239k net surplus to be added to balances. He added that the £285k risk factor allocated in the 2012/13 budget had not been used and will be carried forward and held within balances.

Mr. Plummer said the Housing Revenue Account (HRA) shows a favourable variance of £1,422k, due in main to reduced borrowing costs. He added this was a ring-fenced account and all variances remain in the HRA.

In response to the Panel, Mr. Plummer said in respect of the calculated Icelandic investment impairment and based on updated guidance the gain will be £526k, details of which will be provided in July's Treasury Management report. Mr. Plummer said as more money is returned so it increases confidence in other refunds. He added that it is anticipated that the right-off will now be far less than originally anticipated.

Councillor Smith responded to the Panel to explain that the £14k A12/A120 roadside litter pick initiative, a draft proposal for use of the surplus funds, was necessary because the upkeep of the land in question was identified by Essex County Council to be the responsibility of Colchester Borough Council.

In response to Councillor Quince, Mr. Plummer said in respect of the £125k income for hire vehicles returned in 2011/12, this was a one-off gain relating to previous contracts.

Councillor Quince asked for assurances that the £79k overspend on salary costs due to the use of agency staff and overtime within Street Services was not part of an underlying problem that members needed to be aware of, and if need be examine in greater depth, Councillor Smith said this was part of some worrying trends in this area that are being examined and addressed. Mrs Hedges, Chief Operating Officer, said sickness absence was higher across the whole of Street Services, not just Waste and Recycling, and because of the nature of the jobs. Mrs. Hedges said these issues are being addressed. With regards to vacant posts, Mrs. Hedges said a recruitment process for recycling and fleet operatives did not commence early enough, but lessons have been learnt.

Councillor Smith responded to Councillor Harris to explain that whilst the overall position for Street Services was worrying, this was being addressed, and the overall position was very good.

Councillor Smith confirmed to Councillor Hayes that the saving in net interest was due to increased internal borrowing where savings can be generated through favourable rates. Members were advised that more detail on interest on borrowing will be provided in the July's Treasury Management report.

RESOLVED that the Panel noted the financial performance of the General Fund Services and the Housing Revenue Account for 2012/13.

9. Capital Expenditure Monitor 2012/13

Mr. Steve Heath, Finance Manager introduced the 2012/13 Capital Expenditure report, to which Mr. Heath advised that the Capital programme is a rolling programme not bound by a set financial year, with the report providing the position at year end.

Mr. Heath said the total capital spending for 2012/13 was £13.3m compared to a forecast of £15.5m. He added that 51.2% of the funding was from internal sources with a breakdown of the top areas of spend illustrated in paragraph 4.2 of the report.

Councillor Smith said the spend on the Mercury Theatre (MT) roof and windows

(£364.7k) was a capital grant though the financial impact for the MT will be revenue in the form of energy savings.

Councillor Oxford commented that the whilst there was a £40k capital scheme to refurbish the Lion Walk Activity Centre Lift to maintain DDA compliance the toilets within this building are not DDA compliant, and would it not make sense to extend the refurbishment to include the toilets.

Mr. Heath advised Councillor Hogg of the breakdown of costs within the Capital Programme for the Osborn Street Bus Station. Following on from this, Councillor Quince asked for a breakdown of the £170k programmed for Bus Station – CBC Enhancements.

RESOLVED that the Panel;

- i) Noted the level of spending during 2012/13.
- ii) Requested the Portfolio Holder for Communities and Leisure to consider as part of the Lion Walk Activity Centre Lift refurbishment to give consideration to extending the refurbishment to include the toilets, thereby making the whole building DDA compliant.
- iii) Requested a breakdown of the £170k within the Capital programme for the Bus Station – CBC Enhancements.

10. Any Other Business

Councillor Bourne addressed the Panel to ask why this meetings agenda item, the review of Housing Arrangements Proposal was pulled from tonight's meeting at such late notice. She was not aware that this had ever happened before, and couldn't understand why, if there was a potential problem with the amount of business to be considered on the night, this was not flagged up at the previous Thursday's Chairman's briefing. Councillor Bourne said this was bad form, and a poor decision to have taken.

Councillor Davies said it was a decision taken in consultation with the Group Spokespersons just prior to the commencement of the meeting.

Councillor Davies said the amount of business scheduled to this meeting had not been discussed at the previous Thursday's briefing, but on reflection it was felt that to do the review of the Housing Arrangements Proposal justice a separate meeting for the review was needed. She apologised for the deferral and said she will write to those who attended this meeting to explain the Panel's actions.