

MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the Strong Communities Select Committee held at County Hall, Usk on Thursday 22nd October 2015 at 10.00 am

PRESENT: County Councillor S.G.M. Howarth (Chairman)

County Councillors: D. Dovey, A. Easson, S. Jones, V. Smith and S. White.

ALSO IN ATTENDANCE:

County Councillors: P. Murphy, D. Blakebrough and B. Jones.

OFFICERS IN ATTENDANCE:

Kellie Beirne	Chief Officer, Enterprise
Joy Robson	Head of Finance/Section 151 Officer
Roger Hoggins	Head of Operations
Robert Tranter	Head of Legal Services & Monitor Officer
Tracey Harry	Head of Democracy and Regulatory Services
Rachel Jowitt	Head of Waste & Street Services
Nigel Leaworthy	Commercial & Operations Manager
Carl Touhig	Recycling Strategy and Business Manager
Hazel Ilett	Scrutiny Manager
Paula Harris	Democratic Services Officer

1. APOLOGIES FOR ABSENCE

We received apologies from County Councillor K. Williams.

2. DECLARATIONS OF INTEREST

None received.

3. SCRUTINY OF THE BUDGET PROPOSALS FOR 2016/2017 RELATING TO THE REMIT OF THE STRONG COMMUNITIES SELECT COMMITTEE

We welcomed a report from the Head of Finance to provide detailed draft proposals on the budget savings required to meet the gap between available resources and need to spend in 2016/17, for consultation purposes and to consider the 2016/17 budget within the context of the 4 year Medium Term Financial Plan.

Members were recommended to scrutinise the budget savings proposals for 2016/17 released for consultation purposes and consider what alternative proposals could be submitted by 30th November 2015.

Members were made aware that in January 2015, Cabinet approved a balanced budget for 2015/16 and acknowledged an indicative MTFP position which forecast the gap in resources over the remaining three year period as £10 million. Each year the MTFP model is rolled forward to present a 4 year position and this produced a gap of £13 million, based on original assumptions contained in the model.

Cabinet received a further report on the MTFP in June, agreed some revised assumptions and assessed the level of pressures that needed to be considered. Work has continued over

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the summer to refine the modelling assumptions and outline the income generation or savings proposals that will need to be considered

During discussion following the report, we noted the following points:

- A Member asked if spinal column increases had been factored in. It was advised that MCC had never historically budgeted for incremental increases, therefore not included in the budget.
- A Member questioned if this was the Committees last opportunity for scrutiny. It was advised that the final date was 30th November and if necessarily a Special meeting would be called to provide further scrutiny.

We resolved to receive the report and noted its content.

SERVICE AREA BUDGET MANDATES

We welcomed Officers who presented the budget mandates and we heard the proposals before the Committee were invited to ask questions.

During discussion the following points were noted:

Mandate B2 – Rationalise the business support teams.

- Purpose of mandate is so that select committee members are presented with relevant budget aspects, within the remit of the Strong Communities Select Committee.
- The Mandate will examine the directorate business support/admin across the organisation in order to identify possible opportunities for rationalisation, including examination of spans of control, structures and capacity.
- It has been noted amongst managers that we have never reviewed the whole organisation's business support/administrative function. Given the reduction in resources that have taken place operationally this is an opportunity to examine the impact that has had on business support teams.
- The aim is to deliver both financial and operational benefits to individual services leading to a saving of £50,000.

Member Scrutiny

- A Member commented that they were not familiar with staffing structure at present. An Officer explained that roles were being closely looked at, as traditional admin roles were crossing over to operational areas too.
- A Member asked if pooling business support with neighbouring authorities would be an effective way to make savings. We were told that collaborative working was being covered by other mandates, and this this specific mandate was covering areas where collaboration was not an opinion at present.
- It was commented that the report did not have sufficient information in place to allow proper scrutiny to take place at present.

The Committee resolved to support the mandate but did not feel that there was sufficient information at present.

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Mandate B7 – Legal Services Review

- It was identified that during the next financial year there was potential for income via charging for legal services provided to other organisations.
- The Legal Team were looking to receive income from providing legal advice to Melin Homes on planning agreements and consider any other external work to reduce the net cost of Legal Services and Land Charges to the council. To build on the findings from the Legal Services Review which aims to ensure that the council maximises opportunities to reduce it's spend on legal advice through reducing the need to purchase external independent legal advice whilst maximising any income generation opportunities.
- There is a potential to generate initial income up to £25,000 for the council (but this may need to be netted off any costs of appointing a further legal officer, if required), with further scoping of potential work required.

Member Scrutiny

- A Member questioned if the legal team would need to employ more staff. The Officer replied that once they were clearer on Melin's exact requirements, the staffing figures would be addressed accordingly.
- It was asked if there was a successful model in neighbouring authorities we could look to emulate. We were informed there were various business models. We were told about the trading arm created by Kent C.C. and advised that Lincolnshire and District councils had joined forces to provide public sector advice.
- It was asked if a potential market had been identified and we were advised this is at the very early stages at present.
- A concern was raised by a member that by supplying legal services that we would be taking business away from local businesses. In answer we were told that as a Council we had to be more socially entrepreneurial, employing a business-like discipline. It was felt that the type of legal advice the council would be looking to offer was currently offered by larger legal companies in Bristol and Cardiff, therefore not taking work away from local firms

The Committee agreed to support the mandate.

Mandate B8 - Promoting responsible business waste management

- The restriction of the commercial disposal of waste at Civic Amenities sites. To ensure that Household Waste Recycling Centres are used only by householders and therefore introducing a ban at the sites for vans and trailers.
- This proposal ensures that the principle of Producer Pays is introduced at the Household Waste Recycling Centres and thereby promotes responsible waste management and efficient use of resources by businesses who are currently using the sites.

Member Scrutiny

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- It was clarified that when the waste was delivered to Dragon Waste, the waste became theirs, with their charge back costs being looked at.
- A Member commented that fly-tipping was on the increase.
- It was asked if MCC could have collaborative working with Newport City Council. The Officer answered that this was a possibility, with it potentially having an impact on our recycling levels.
- A member questioned improving the current basic provision offered. We were told that the current contract expires 2017, and this has not gone out to tender as yet.

The Committee agreed to support the mandate.

Mandate B11 – Leadership Team Restructure

- The objective of this mandate is to build upon the already significant re-adjustments made to senior management structures within the Council aimed at flattening tiers, reducing hierarchy and driving ongoing efficiency savings.
- The first structural re-design carried out by the Chief Executive in 2010 alluded to the need for staffing structures to constantly adapt and adjust to a 'permanent state of transition'. This mandate aims to further advance this and to ensure that as the whole organisation works to become more efficient and effective, corresponding changes are made to systems and structures to support purpose, priorities and values-driven leadership.
- The proposal is for comprehensive re-adjustment of structures, posts, roles and functions, so that the organisations' leadership, values, alignments, processes and structures are fit for purpose as we adapt to further waves of change and instability and continued financial turbulence. Our aim ongoing, is to create a whole new cost structure for our organisation and as such we must in-build the ability of our staff teams to be nimble, fleet of foot and flexible. This is more than just re-jigging posts and structures to achieve a financial efficiency – the fundamental aim is to create organisational structures, systems, processes and behaviours that are capable of demonstrating 'council of the future' capabilities.
- People are our best resource and we need to ensure they are playing to their strengths and are positioned to serve our organisation and our communities in the most effective ways. This proposal is entirely in the spirit of our People and Organisational Development Strategy and our aim to create the whole-organisation conditions that allow people to connect to their purpose in order to deliver sustained improvements for our residents, businesses, partners and communities.

Member Scrutiny

- The Committee were concerned that savings maybe duplicated across portfolios. The Officer answered that the posts in question were clear and that no double accounting would take place.

The Committee agreed to support the mandate.

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Mandate B12 – Second phase review of grants/subsidies to third sector discretionary bodies

- Purpose of the mandate is to ensure that grants and support given to third sector organisations are proportionate and deliver against the organisation's strategic aims and objectives. In 2014 a wide ranging review of the grants provided by MCC was undertaken this ensured that the remaining grant recipients were working in line with the organisation's specific aims and objectives. This review recognises that continued delivery whilst clearly acknowledging that the quantum available to third parties should be reduced in line with the budget pressures MCC is experiencing.
- To reduce the quantum of funding available to a range of third sector organisations by 18% and to stop the funding of a Healthy at Home Funding stream to Care and Repair.

Member Scrutiny

- A question was raised regarding the self-reliance status of the Borough Theatre. It was advised that dialogue had taken place with the theatre advising funding cannot be maintained and advice will be given to help them with creating a self-sustainable business model.
- The Cabinet Member advised that there was a 3 year deal with CAB with 10% cut each year with a future £5,000 cut as a result of this mandate which they are managing.
- A Member commented that the ideal outcome was to help create self- sustaining organisations.

The Committee resolved to support the mandate and agree that we cannot keep subsidies ongoing.

Mandate B13 - Highways Infrastructure – income generation

The mandate advises the opportunity for increased revenue income through advertising on the public highway, car parks, vehicles, buildings etc. and revenue from additional car parking and changes to the car park regime (requires capital investment and a new car park order)

Member Scrutiny

- A member questioned why there were no adverts on the side of the refuse lorries. The Officer advised that this was currently being explored, the priority for the advertising space will be given to local businesses.
- The order for car parking will be a county-wide order, with each town car park addressing its own different demands.

The committee resolved to support the mandate.

Mandate B14 – Ground maintenance – Funding review

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- The mandate advises the stop of purchasing bedding plants and subsequent management costs (watering etc.) and revert to using wild flower seeds for displays.
- Change to highway verge cutting regime, Continue with current verge mowing practice (2 cuts not 1).
- Safety will always remain a priority and this will be monitored and action taken as appropriate within existing resources (as now). Finally MCC has worked in partnership with Green Fingers on the Linda Vista site for many years and a strong relationship has been established. As the expansion of this partnership MCC will no longer undertake the routine maintenance of the gardens as this will be undertaken by Green Fingers. MCC will retain the strategic and commissioning role with a view to expanding and building on this partnership including the Friends of Linda Vista and other parties as appropriate. The saving is made through the release of a vacant post within the team as half a FTE post used to oversee Linda Vista.

Member Scrutiny

- A member questioned the difference in quality of displays throughout the County. It was advised that several seed mixes had been trialled.
- It was asked by a Member if mulching machines were used with cut grass. It was advised that the height of cut would have to be raised, and trials were currently ongoing.
- Several questions were asked regarding the 1 cut, especially on B roads, as it was felt that it made the County untidy and caused a danger regarding visibility.

The Committee agreed with the mandate introduction of wild flower planting rather than annual bedding. But the majority of the committee do not support the mandate in terms of hedge and highway verge cutting.

Mandate B15 - Highways Maintenance – Review

- The proposal is to reduce the highways section budget whilst seeking to protect basic service levels for essential safety services.
- Reduction in County Highways Operations budget by reduction in operatives (3), vehicles and materials.

Member Scrutiny

- Members asked if the Council had sufficient raining and asked if there were issues with Health & Safety and training. The Officer answered that for winter maintenance the staff needed specific training.
- It was questioned if the vehicle needed to be removed from the fleet or could it be used on a standby basis. We were told that less crew meant we could reduce our fleet accordingly.
- Clarification was asked for where the 30K saving would be found. The officer advised we would have physically less vehicles, whether it was hired or owned by the council, the saving would be made by not replacing vehicles.

Following a vote the majority of the Committee resolved to not support the mandate

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Mandate B16 – Flexible Employment options

- The Mandate plans to generate awareness with staff who are interesting in accessing the Authority's flexible benefits and employment packages, notably in the form of negotiating reduced hours, taking unpaid leave or purchasing additional annual leave.
- Take-up would in turn lead to savings for the Authority whilst supporting staff to be able to have flexible working arrangements.

Member Scrutiny

- A Member commented that staff were currently working above and beyond their current roles.
- An Officer commented that duplicated Committees would need to be looked at.

The committee resolved to support the mandate.

Mandate B17 – Business rate evaluation

- This is a one off saving resulting from backdated successful business rate appeals on council properties.
- Budget for refunds received, following appeals to the Valuation Office, for Business Rates paid by the Authority in respect to the properties that it owns.

Member Scrutiny

- A member asked if the work undertaken by Cooke and Arkwright could be taken in house. The officer answered there were no plans to do so.

The committee resolved to support the mandate.

Mandate B19 - Property Services & Facilities Management review

- This proposal is seeking to help reduce the MTFP deficit by introducing a range of efficiencies to the Property and Facility Management service.
- The PS&FM manpower budget will be reduced by £35,000. The Resources, Office Services and Facilities Management teams will be amalgamated into one unit responsible for reception services, administration, finance, and post and facilities management at Usk HQ.
- The number of vehicles and associated fuel and maintenance costs will be reduced by sharing transport resources between the catering and cleaning services, £10,000.
- The supplies and services budget will be reduced by £20,000.

Member Scrutiny

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- A Member asked if the staff move from Innovation House to Usk was built into the in the figures in the mandate. The officer confirmed that was the case and hoped that the move would take place by 1st April 2016.
- It was clarified that Magor 1 we own and Magor 2 is leased.

The committee resolved to support the mandate.

Mandate B21 - Town and Community Councils

- This is a whole-authority mandate but specifically relates the Council's priority around 'maintaining locally accessible services'. Since the majority of these mainly discretionary services relate to Enterprise and Operations.
- Contribution to specific services which would otherwise be cut such as community hubs, museums and street sweeping.

Member scrutiny

- It was asked if our PTU would become a stand-alone trading company. It was felt that there was not a clear divide between ourselves and Newport City Bus

The committee resolved to support the mandate.

Mandate B22 – Collaboration and realigning structures in operations

- Estimated £30k from collaboration in 16/17 and £70k from realignment of duties to reduce professional/technical salary budget within Highways section.
- Quick wins on collaboration for 2016/17 sharing posts.
- Collaboration between public bodies to share resources thereby improve efficiency, value for money etc.
- Restructuring of staff and services within the authority to reduce resources whilst retaining service provision.

Member scrutiny

- A Member commented that cluster groups need to be created so that resources were shared and considered equally.
- It was asked if Community and Town councils were being spoken to. An officer confirmed that engagement was taking place to encourage communication between councils.
- The lists needed to be circulated.

The committee resolved to support the mandate.

Mandate B23 – Discretionary Fees and Charges

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- Increasing fees and charges budgets by 10% rather than 2.5% included in the MTFP model, so an extra 7.5%. Consideration needs to be given to increasing customers and/or increasing charges.
- During public consultation meetings in previous budget consultations, members of the public expressed a preference for charges to increase rather than cutting services due to the reduction in resources available to the Council

Member scrutiny

- A Member commented that public seem happier to see fees increased rather than lose services.

It was commented that there was not enough information at present and it is difficult to say support at this time. The Chair asked for the Mandate to be revisited.

4. DATE OF NEXT MEETING

We noted future meeting of Strong Communities Select Committee as:

- Special – 24th November 2015 at 2pm (pre-meeting 1.30pm)
Pressure Mandates – PTU and Waste

The meeting ended at 1.35pm.