

OVERVIEW & SCRUTINY ORGANISATION AND RESOURCES SELECT COMMITTEE

DRAFT MINUTES OF THE OVERVIEW & SCRUTINY ORGANISATION AND RESOURCES SELECT COMMITTEE MEETING HELD ON 16 SEPTEMBER 2010 AT COMMITTEE ROOM III, COUNTY HALL, TROWBRIDGE.

Present:

Cllr Nigel Carter, Cllr Tony Deane (Vice Chairman), Cllr Christopher Devine, Cllr Peter Doyle, Cllr Nick Fogg, Cllr Charles Howard, Cllr Jon Hubbard, Cllr Jeff Osborn (Chairman), Cllr Judy Rooke and Cllr Jonathon Seed

Also Present:

Cllr Allison Bucknell and Cllr Christopher Cochrane

87. **Apologies and Substitutions**

Apologies were received from Cllr Bill Roberts, Cllr Ricky Rogers and Cllr Jacqui Lay.

88. **Minutes of the Previous Meeting**

The minutes of the meeting held on 15 July 2010 were approved and signed as a correct record.

89. **Chairman's Announcement**

As the national changes would impact on local authorities scrutiny would need to ensure a corporate focus was taken on all scrutiny work.

90. **Declarations of Interest**

No declarations of interest were received.

91. **Public Participation**

There was no public participation.

92. **Human Resources (HR)**

The Service Director for HR and Organisational Development attended the meeting to present the update on HR related matters as requested at the Committee's previous meeting on 15 July 2010.

The Corporate Director for Resources and Portfolio Holder for Customer Care were also in attendance to answer questions arising.

The following information was received:

a) **Pay Harmonisation and associated matters**

At the Committee's meeting in May it was clarified that school support staff were now required to be included in the harmonisation process. This increased employee numbers from approximately 6k to 12k. As a result, the potential cost implications also doubled. Due to the financial constraints and pressures now faced by the council and cost implications to incorporate the additional employees, pay harmonisation was now to be achieved through implementation of Wiltshire Council pay and conditions with protection for TUPED staff.

It was expected that the council would reach pay harmonisation within 18 months as the number of staff who transferred to Wiltshire Council on 1 October 2009 on TUPED conditions was now less than 1100. The reorganisation of the Council was also likely to affect the numbers remaining as staff transferred onto standard terms and conditions. A review would take place in the latter half of 2011 to ascertain the number of staff remaining on TUPED conditions.

Discussions were underway with Union representatives regarding future changes within the authority taking into consideration the financial constraints ahead.

Although the results of the comprehensive spending review were still to be announced it was expected that the proposed 25% reduction in funding would result in a loss of £122m to the local authority. Therefore scrutiny would need to ensure a corporate focus of its work for example on commissioning and procurement to ensure it delivered on efficiency targets.

The Council would look to achieve cost savings of £40m in 2011/12 against four key areas: procurement, people management, service review and improvement and income generation. These would be formally documented within a business plan to be delivered to Cabinet before the end of December and Full Council in February 2011.

As part of the proposed people management cost savings, LGR terms relating to appointment and severance were being reviewed. These would be the subject of report to the Staffing Policy Committee in October.

b) **People Strategy**

The Leadership Development Programme

Clarification was provided that the Programme budget had been agreed prior to the government's announcements on proposed budgetary reductions to local authorities and had been funded through reallocation of existing budgets for 2009/10.

Of the current £851k budget, £236k had already been committed to year end from the combined Leadership and Management Development funding and applied to approximately 800 managers across the organisation; £174k had been allocated against HR on line systems training, the management trainee scheme and employee survey; £25k had been allocated for occupational health to provide staff support and a further £30k had been agreed for an employee systems programme.

The Service Director confirmed that a meeting was scheduled to take place with the Shaping the Future business management team later this month where the budget allocations within the Leadership Development Programme would be further discussed.

Following concerns raised on the funding allocated to management development, clarity was provided that the £236k cost applied to a one year development programmes that had already commenced and was the total funding available that applied to approximately 800 managers. The Committee was reminded that improved management leadership was vital to the progression of the organisation as a whole. The outcome of the management programmes would not be seen initially but would be demonstrated through higher performance and the ability to manage changes ahead.

The Chairman concluded that the committee would continue to monitor the processes involved both through the business plan and also through regular updates from officer and the scrutiny representative on the Pay Harmonisation Board (now renamed Staffing Management Executive Board).

Resolved:

- 1) **To thank Officers and the Portfolio holder for reporting on recent developments and responding to questions.**

- 2) That the committee would receive a further update on HR matters at it's meeting in November 2010 and track the resulting implications through the new Corporate Business Plan.**

93. **Library Services Review**

The committee was asked to consider the update provided in relation to the Library Services Review.

The Cabinet member for community services, Project Manager - Business Change and new Head of Libraries (from 1 October) were in attendance to present the update and answer questions arising.

Clarification was provided by the Cabinet member that the consultation process was being carried out to understand the needs of the customer to ensure libraries were sustainable for the future.

Following the consultation process, which was still underway, a report would be prepared for consideration by Cabinet. It was expected that the report would be completed by the end of October and submitted to Cabinet at it's next meeting on 16 November.

Libraries should be recognised as a valuable resource for shared service provision with both the health service and police authority accessible through some facilities. Discussions were taking place to further expand on this to continue to meet the needs of the community as well as providing value for money. Neighbouring councils had also been approached to investigate ways of working together to further reduce costs, i.e combined book purchases.

The committee proposed that clarity on core opening hours (to include Saturday opening) would ensure the service was used to its maximum and that the mobile library service was vital for rural locations.

The committee also acknowledged that presentations on the Library Services Review were being made to the Area Boards across Wiltshire but some councillors felt that the information provided and the purpose of the review where cost savings of £500k were required (£250k per year) could have been made clearer.

Clarification was provided that savings of £250k would be reached by the end of the current financial year through natural staff wastage.

The Chairman proposed that a scrutiny exercise should be undertaken to consider the report prior to its submission to Cabinet in November and called for scrutiny representatives accordingly.

Resolved:

- 1) To thank the Officers and the Cabinet member for the update.**
- 2) To undertake a rapid scrutiny exercise to consider the Library Services Review report prior to it's consideration by Cabinet in November. Membership of the Group to consist of Cllr Christopher Devine, Cllr Nigel Carter, Cllr Jonathon Seed and Cllr Jon Hubbard. A further member would be added in due course.**

94. Task Group/Rapid Scrutiny Update

The Committee was asked to consider the updates provided on the current Task Groups and Rapid Scrutiny Exercises under the responsibility of the Committee. The updates provided included the annual report from the Budget and Performance Task Group and final report of the Member Support in the Locality Task Group.

Further information was provided as follows:

Budget and Performance

The Chairman of the Task Group thanked the Senior Scrutiny Officer for the preparation of the report and requested that the Committee adopt the recommendations contained therein.

The recommendations made included that the Task Group should be abolished with the Organisation and Resources Select Committee responsible for monitoring corporate financial issues and Resources department spend. The other Select Committees would take responsibility for relevant service budgetary issues. Formal reporting would be by exception.

Ensuing discussion included that the Overview & Scrutiny Liaison Board, whose membership included the Chairman and Vice Chairman from each of the Select Committees, would ensure that an open dialogue remained across all committees to address any issues arising.

Officers were congratulated on ensuring that overall spend did not exceed the budget at year end taking into consideration the departure of the S151 Officer and additional cost pressures (which included the growth in the winter gritting programme and additional resources required for the climate change programme).

Clarification was provided that a new Interim Director of Finance had now been appointed and was expected to be in post for between 6 to 12 months whilst a structure review was undertaken.

Resolved:

To endorse the recommendations made by the Task Group and that the revised scrutiny arrangements for budget and performance monitoring be reviewed in 12 months time.

Member Support in the Locality

The Member Support in the Locality Task Group had been established to consider the level of support provided to Councillors.

The final report provided details of the recommendations made by the Group and summary of Councillor responses to the survey circulated on support available to resolve casework and community area issues.

Clarification was provided that area boards now had a dedicated press officer within the Communications team to assist with their casework.

Issues raised included that the potential blurring of roles between Community Area Managers and Democratic Services Officers had been addressed through a managers meeting between the two teams and that the paper contacts directory was now unlikely to be available to Councillors by 1 November as recommended.

Resolved:

- 1) That the committee endorsed the recommendations made noting that the paper contacts directory may not be available for 1 November 2010.**
- 2) That a review on member support in the locality would be undertaken by the Committee in 12 months.**

Workplace Transformation Programme

The Corporate Director – Resources confirmed that the Workplace Transformation Programme had been reviewed in the light of financial pressures but reported that the programme would remain unchanged with expected savings to the council of £4.5m per year. Clarification was also provided that discussions continued regarding the PFI project with Jarvis in relation to the Monkton Park premises.

Section 106

The comments of the Task Group, as outlined in the interim report previously submitted to the committee, were sent to the Portfolio Holder for consideration. The comments were noted. A report was expected to be submitted to Cabinet later in the year when the Task Group would reconvene to consider its content.

Corporate Procurement Strategy

Clarification was provided that the rapid scrutiny exercise focused on the structure and process within corporate procurement and that the recommendations made reflected this focus.

The committee understood that the structure and scale of responsibility within procurement was being reviewed in addition to the current corporate contracts in place to ensure value for money was being provided.

A presentation was made by the Corporate Director for Resources on the proposed strategy and approach to future procurement and commissioning. This outlined the actions intended to address the significant savings required over the next 4 years.

The Committee also noted the impact the transfer of procurement responsibility from the PCT to the council could have once the council adopted the responsibility in two years.

Resolved:

- 1) To note the report and endorse the recommendations contained within.**
- 2) That the appointed scrutiny representatives (Cllrs Tony Deane and Nigel Carter) would ensure the Committee was kept informed of developments including proposals for future scrutiny of the procurement and commissioning programme.**

95. Scrutiny Representation on Project Boards - Updates

The following Project Board updates were provided:

Pay Harmonisation

Cllr Ricky Rogers was the Committee's representative on this Project Board and had been advised of the developments reported earlier under minute 92 a).

Agency Contract

A copy of the recent Cabinet Member delegated decision was circulated. Clarification was provided that the cost of employing temporary consultancy and agency staff was £8-9m per year. The council was expected to reduce the number of agency staff employed by 50% by March 2011 as part of its budget savings. This would need to be monitored in the future through an appropriate scrutiny mechanism.

Resolved:

That scrutiny representatives on the Project Boards would be requested to provide written updates to the Committee where appropriate.

96. **Forward Work Programme**

The Committee was requested to consider the Forward Work Programme provided.

Resolved:

To note the Forward Work Plan

97. **Date of next Meeting**

18 November 2010.

98. **Urgent Items**

There were no urgent items.

(Duration of meeting: 10.30 am - 1.10 pm)

The Officer who has produced these minutes is Sharon Smith, of Democratic & Members' Services, direct line (01225) 718378, e-mail sharonl.smith@wiltshire.gov.uk

Press enquiries to Communications, direct line (01225) 713114/713115