

COTSWOLD DISTRICT COUNCIL

OVERVIEW AND SCRUTINY COMMITTEE

5th MARCH 2019

Present:

Councillor Richard Keeling	-	Chairman
Councillors -		
Andrew Doherty		Nigel Robbins
Officers -		
Head of Democratic Services		Leisure Services Manager (Publica)
Chief Finance Officer		Committee Officer
Group Finance Director (Publica)		

Substitutes:

Councillors Mark Annett, Maggie Heaven.

Apologies:

Councillors Stephen Andrews, Shaun Parsons, Richard Morgan and Jenny Hincks.

OS.44 SUBSTITUTION ARRANGEMENTS

Councillor Mark Annett substituted for Councillor Stephen Andrews.

Councillor Maggie Heaven substituted for Councillor Shaun Parsons.

The Chairman thanked both Councillors for attending at short notice.

OS.45 DECLARATIONS OF INTEREST

(1) Member Declarations

There were no other declarations of interest under the Code of Conduct for Members or Section 106 of the Local Government Finance Act 1992.

(2) Officer Declarations

There were no declarations of interest from Officers.

OS.46 MINUTES

The following comments were made on the minutes:-

- (i) Minute No. OS.33, Member Declarations, second line of the first paragraph, the addition of 'volunteer' before the words Community First Responder.

- (ii) Minute No. OS.39, the briefing slides on the presentation from Publica should have been part of the record and available on the Council's website.
- (iii) Minute No. OS.41, Strategic Review of the Leisure and Cultural Services Contract. Members considered that this minute should have included the discussion on the anticipated outcome of the scoping. For the record of the minutes, Members discussed:
- What targets were being considered in the review;
 - The scope of work which would need to be done as part of the break clause, and the future needs of the district.
 - The importance of understanding the flexibility and context of the contract, to ensure a smooth transfer to another provider.
 - The Gym equipment and data that SLM hold is the property of the Council.

The Head of Democratic Services reminded Members that they needed to be specific if they wished discussions to be recorded in the minutes.

Subject to these amendments, it was:

RESOLVED that, the Minutes of the Meeting of the Committee held on 5th February 2019, be approved as a correct record.

OS.47 CHAIRMAN'S ANNOUNCEMENTS

There were no announcements.

OS.48 PUBLIC QUESTIONS

No public questions had been received.

OS.49 MEMBERS' QUESTIONS

No questions had been received from Members.

OS.50 CALLED-IN DECISIONS

No executive decisions had been the subject of Call-In since the Committee's previous Meeting.

OS.51 PUBLICA BUSINESS PLAN 2018/19

The Committee received a briefing from the Group Finance Director (Publica). He explained that it was unfortunate that the briefing, which was due to take place in January, had been postponed due to bad weather as it would have set the background of how Publica had been conceived.

For context he explained that the shared services journey had been ongoing for many years, for the Council it began in 2008. Since that time there had been several iterations, Cotswold and West Oxfordshire had informal sharing of Officers in 2008. Go Shared Services in Gloucestershire started sharing Finance, HR and some IT services with other partners such as Forest of Dean District and Cheltenham Borough Councils in 2012. A joint committee in 2016 took a decision to launch Publica. In total this approach brought £7.1m of ongoing annual savings to partner Councils, approximately 22% of the base revenue budgets of the Councils. For Cotswold this meant £2.6m ongoing annual savings arising from shared services. This is

equivalent to a Council Tax saving of £65 to Cotswolds residents in an average band D property. It was noted that there would be significant challenges from April 2020 onwards with a potential £2m of savings to be found. Risk factors to the Council's Medium Term Financial Strategy had to be taken into account when looking at the savings required by the Council's Chief Finance Officer.

Whilst shared services had brought about a reduction in cost, the Council's chosen indicators on performance had continued to increase. The challenge for partner Councils would be to continue to deliver services for less.

It was noted that the Council is an equal owner of Publica, the advantage is cost sharing - no private equity, no dividend, no profit share. Pressure on services such as adult and children's care means funding from Government is likely to be allocated to these services in the future and Councils such as Cotswold would have to find additional savings.

The business plan sets out 4 key tasks:

- To do the 'day job' really well.
- Transform service delivery and exceed service expectations – which would begin to take place through the digital platform, Salesforce.
- Develop Publica People – employees from Cotswold, West Oxfordshire and Forest of Dean are beginning to work more closely. Publica were hoping to bring all employees onto the same terms and conditions, pay and grading structure by 1 April 2019, discussions were still taking place with the Unions on the pay and grading structure.
- Exceed the minimum business case financial targets – Publica had been delivering savings in line with the targets and key strands – people and digital. Face to face interaction with customers was good and work on the Council's website would be carried out in the next twelve months. The Company wants to create a modern, flexible work environment that reflects the modern world.

In response to Members questions Officers explained the following:

- (i) Savings of £1.2m in the budget were from management and service restructures. The restructure of Revenues and Benefits and Housing had brought Customer Services into that service and savings of £200,000 had been made. Forest of Dean DC contracted Civica to deliver Revenues and Benefits, this had been brought back in house and savings of approximately £100,000 were being delivered making £300,000 in total.
- (ii) Officers meet to discuss a business case for savings and typically these savings were shared based on turnover. For Cotswold it was indicated that a further £2m worth of savings would need to be found and it was accepted these cannot be delivered entirely by service restructures. It was considered that a potential £3m could be saved across the partnership with this Council potentially receiving £1m worth of savings.
- (iii) Publica supply Finance, HR and ICT to Cheltenham Borough Council. Their transformation programme is in progress and Officers are in close contact with them. New partners may not wish to transfer as many services as Cotswold, West Oxfordshire and Forest of Dean. The Managing Director had been in contact with other Councils in Gloucestershire and steps are being taken to develop a commercial offer to other councils. Realistically a new partner is not expected to join until after 2020. Officers and Members were attending the LGA conference; the Local Government Chronicle and Chartered Institute Of

Public Finance had shortlisted Publica as an alternative way to deliver services.

- (iv) A phased implementation of Salesforce was taking place and it was planned to 'go-live' in the Cotswolds with Salesforce in May 2019. The public sector lead from Salesforce recently presented the new system, and Officers who will use the system on a day to day basis were very impressed, it was a huge improvement and would mean that the service would be delivered more effectively. In future individual licences can be purchased and the system can be expanded when needed if another partner Council joins. A session for Members could be delivered to a future meeting.
- (v) Concerns were expressed over branding of correspondence. E-mails and letters relating to payments were being received by people with different addresses on and this was confusing for constituents. It was noted that the new digital platform would rectify large elements of this confusion and residents should receive correspondence with the branding of the relevant Council but it was recognised that this was still a 'live' issue.
- (vi) Concern was expressed that there was a need for Members to understand how and who they should contact if they had a query from constituents. Work was in progress on structure charts to enable Members to contact staff.
- (vii) The business plan seemed to be more of a vision statement, as it did not have a lot of detail relating to key tasks. Each service will have a transformation plan which will set out the key tasks in more detail and Officers see progress reports against each task.

Members requested that the review of the transformation plan, clarity of target dates and progress are forwarded to Cabinet. A further report on progress would be given at the next Committee meeting.

RESOLVED that any comments from the Committee on the Business Plan are reported to Cabinet.

OS.52

DRAFT TERMS OF REFERENCE – REVIEW OF THE LEISURE AND CULTURAL SERVICES CONTRACT

The Committee was invited to agree the scope for a review of the Leisure and Cultural Services Contract, having regard to the impending break clause option.

The Leisure Services Manager had amended the report following feedback from the previous meeting, which included more information and clarification on the review conducted on the break clause. This was due to be presented to Cabinet on 21 March 2019.

In response to Member questions, Officers explained:

- (i) Concern was expressed about the review process of the contract. On two occasions questions had been asked regarding the names of the quantity surveyors to the Corinium Museum and was the Council appointing the correct people to carry out the review. The Leisure Development Officers would be reviewing the contract, although Members were still concerned that this did not give sufficient independence, it would be 'marking your own homework'. The contract had been monitored by Officers since 2013 and if any concerns had been raised, Members would have been informed. Regular reports are received from the contractor, including customer satisfaction results. The

review will be of factual information.

- (ii) If there was a need to have a legal interpretation on the break clause the Chief Finance Officer and Head of Paid Service would carry out an independent review, which would be presented to Committee in a joint report highlighting the benefits and outcomes. The contract had operated for seven years, there had been no need to exercise any notices within the provision of the service. There would need to be a separate focus of what can be done and cannot be done. Members did not want to exercise the break clause if at all possible and wanted to do the best for the future of the district.
- (iii) Members required assurance that SLM had delivered the requirements of the contract to be satisfied that the future needs of the district.
- (iv) A separate review would be carried out on the dual use facilities at Fairford and Tetbury. Different arrangements existed for these facilities in relation to the contract, their performance was out of the Council's control as the facilities were transferred to the schools in 2014. In relation to the review of the facilities Officers were in contact with the schools. The next part of the review would be to find out the leisure needs of the district, which would include provision across the district as a whole.
- (v) Delete the word contract – both parts of the report do not refer to contract.

RESOLVED that the suggested arrangements for the 'break clause review', including the scope proposed, and any comments are forwarded to Cabinet.

OS.53

REVIEW OF OVERVIEW AND SCRUTINY/AUDIT ARRANGEMENTS

The Head of Paid Service presented the current terms of reference which underpinned the Committee's work and Members had the ability to review the procedure rules, processes and arrangements of the both Committees and suggest any changes. It was considered that the best time for a review was when the Committee had more experience.

Currently Audit and Overview and Scrutiny Committees are separate, this was considered to be best practice, although some commonality existed between the two Committees and joint informal discussions could take place throughout the year. Both Committees can request to see internal reports on issues that are of interest and challenge issues. The Chairman supported the view for two separate Committees.

As Councillor Doherty was a Member of both Committees his views were sought. He considered that the Committees should be separate, as Overview and Scrutiny deal with a broader remit than Audit Committee and had the ability to look at all issues whether good or bad. Members were encouraged to look at the Executive Forward Plan to be able to produce their work programme and look at issues independently.

Officers were currently updating the constitution with changes around delegation, in order to ensure that all documents are correct for Members of the new Council in May 2019.

The work programme for this committee should be tough by asking challenging questions. The Chairman should exercise his right to call people to account and the Committee should be like a Government Select Committee. It was agreed that a structure to the work programme should be developed.

RESOLVED that the Committee continue with its current operating arrangements, and those of the Audit Committee, reviewing any changes which would be beneficial to both Committees.

OS.54 SECTION 106 AGREEMENTS AND FUNDS

A written report was not available for Committee as the review was still taking place. A report will appear on the future work programme and it was hoped that it will be presented to Audit Committee in April 2019.

Members expressed concern over the Section 106 for the Chesterton development and that they were often were in a position of discussing an issue without a report being presented to them in good time to read and ask questions.

RESOLVED that the report and any comments made be noted.

OS.55 SERVICE UPDATES

An update was given to Members on the following:

- (i) Development Management – recruitment of a Senior Planner and Planning Case Officer were successful. Interviews were due to take place at the end of March for a Senior Planner Post.
- (ii) Planning Enforcement – recruitment of two Senior Enforcement Planners is in progress and interviews were due to take place at the end of March.

Officers explained that the Planning service had not been shared with other partners in Publica and resourcing levels would be reported in a quarterly report. If Members had any further questions, they could forward them to The Head of Paid Service or The Team Leader (Development Management)

- (iii) Building control income was comparable to last year – 18% of applications received over the phone and 28% by the system i-apply. Building control operate in commercial market and the market share fluctuates on month by month basis – between April 2018 and January 2019 there was a low of 55% and a high of 68% of the market share. Vetting of applications is within 21 days of deposit 21% from April 2018 through to January 2019 this is exceeding targets.

Members considered that updates on service areas should be an integral part of quarterly reports, they expressed disappointment and reiterated that it was not acceptable to have reports tabled at the meeting and requested that Officers were made aware of this.

A Member queried whether savings in these services had come from staff, and them not having the resources available to deliver the service, meant a shortfall in planning income. Baseline data would be available through KPIs and meetings with the Executive Director Commissioning (Publica), take place to discuss performance.

RESOLVED that the report and any comments made be noted.

OS.56 SUMMARY FINANCE/SERVICE PERFORMANCE REPORT – 2018/19 QUARTER 3

The Chief Finance Officer explained to Committee that services had been achieving the KPIs. There had been £136,000 of additional savings from Publica. Updates

were given on the following services:-

- Priorities for Ubico 2018/19.
- Building control fees continue to fall short of income target;
- Planning fees continue to fall short of target, Audit Committee are reviewing this issue.
- The Council received a refund from HMRC on the Old Memorial Hospital.

In response to Member questions, Officers explained:

- The income for the green waste service had exceeded the budgeted plan, although Members queried whether the current level of subsidy had been taken into account in the review of the service.
- The governance arrangements and future of the Local Plan Programme Board.
- Attendance numbers at Corinium Museum had fallen, although it was recognised that this was happening throughout the country.

RESOLVED that service and financial performance for Quarter 3 of 2018/19 and any comments made be noted.

OS.57 QUARTERLEY DIGEST (including County Matters)

The Committee received a Quarterly Digest, which included updates in respect of Gloucestershire County Council's Economic Growth Scrutiny Committee and Health and Care Overview and Scrutiny Committee; and the Gloucestershire Police and Crime Panel. This also included the Executive Forward Plan – March 2019 Update. Members discussed Health and Care in the district and expressed a view that services are maintained in Cirencester when some services are moved to Gloucester or Cheltenham.

RESOLVED that the report be noted.

OS.58 WORK PLAN 2019/20

Committee considered the Work Plan for 2019/20.

- September 2019 - Review of Leisure and Cultural Services Contract and the contract break clause;
- June 2019 – Update on the use of consultants.

OS.59 OTHER BUSINESS

There was no other business.

The Meeting commenced at 10.00 a.m. and closed at 12.30 p.m.

Chairman

(END)