

MINUTES of the meeting of the Corporate Overview and Scrutiny Committee held on 4 November 2010 at 7.00pm.

Present: Councillors Danny Nicklen (Chair), Wendy Curtis, Bukky Okunade, Mike Revell and Barry Johnson

Attendance: Councillor Oliver Gerrish – Portfolio Holder for Central Services
Councillor John Kent – Leader of the Council
Councillor P. Anderson (Arrived at 8.00pm)
Councillor S. Liddiard (Arrived at 8.00pm)
R. Waterhouse – Corporate Director, Change and Improvement
T. Shawkat – Head of Legal Services
S. Clark – Head of Finance
L. Richards- Policy Officer
M. Boulter – Principal Democratic Services Officer

12. DECLARATIONS OF INTEREST

a) Interests

Councillor Curtis declared a personal interest by virtue that she was a trustee of a local school.

Councillor Okunade declared a personal interest by virtue that she was a Member of the voluntary sector.

b) Whipping

No interests were declared.

13. BUDGET 2011/12 – PRIORITIES AND SAVINGS

The portfolio Holder for Central Services explained that the aim of the savings in this report were to protect frontline services and that the savings represented a 34% reduction in central services for the 2010/11 year. Some savings had already been delivered including the use of a handy man and a restructuring of the design and print framework. However, further savings would be needed.

Officers outlined that in the best case scenario, the Council would still have to find a £1 million shortfall and in the worst case this would be 6 million. It was clarified that these balances were due to the reduction in growth and council tax grant, the savings identified and the likely range of government grant reductions.

Legal Services

Officers confirmed that Democratic and Member Services would lose one full time post and four vacant posts and reduce the current political assistant's post down to part time. The Head of Legal Services added that a review of the legal team's finance would follow in due course.

In response to a query about budgeting for funding a £6 million shortfall, officers explained that they would revisit proposals declined by the star chamber and include the efficiency programme, as well as other budgets not currently affected to make further savings. The Council would know its position by early December.

A debate was had on Democratic Services where the committee was informed all Democratic Services staff would lose their shift allowance and the overall reduction in staff in this service would impact on the number and nature of committee meetings, which Members would have to be aware of. The Head of Legal explained that the shift allowance would be waived through Democratic Services officers arriving later into work on a day of a meeting and making that the beginning of their working day.

The Chair briefly queried the impact on elections and officers assured the Committee that preparations were underway already to ensure the smooth running of the next election. More staff from across the Council would be involved, as well as volunteers, and Democratic Services will also be on hand to assist as there will be less demand for meetings at this time.

Salary Costs of Accountancy Section

Two teams would not be affected by this reduction, namely the schools team and the vulnerable adults' assets team as they generated their own income or were of vital safeguarding importance. There were plans to introduce a flatter management structure and reduce staff overall. To cope with the change, heads of service and managers would be expected to do more of their own financial management through improved IT, for which they would receive directed training.

Insurance Payments

Officers explained, following a question, that the saving would be made by making the payment of insurance claims more visible to managers. By making this more visible and linking the payments direct to

department budgets, officers expected senior managers to change practices to avoid further payment of claims. The Council insurance providers had also been approached and asked to identify ways that the Council could reduce its premiums.

Debt Restructuring

The Council had paid off its debt by borrowing a sum of money at a lower interest rate to pay it off.. The savings generated would allow the Council to pay £1.6 to £1.7 million for this year and next into the reserves.

Councillor Johnson expressed his wish for the Council to maintain these payments into the reserves and requested that should further savings need to be made that this money still went into the reserves.

Internal Audit Contract

Officers stated the current external auditor was RSM Tenon. The officer explained that the tendering process would make clear the available budget envelope.

Council Inspection Savings

No substantial comment from the Committee

Restructure of Change and Improvement Directorate

Officers explained that the majority of the savings would take place in the first year of the savings proposals. The following savings were highlighted:

- £40,000 saved through corporate licenses.
- Reducing PA support to two directors from 2 to 1.
- There was a growth item to allow for a senior manager to be employed if required.
- Remove two vacant posts and two filled posts from the Corporate Performance Team.
- Remove one vacant post and a part time post in the Human Resources and Information Management Team respectively.
- Endeavour to make the GIS team have a greater income generation. If this failed then two staff would be made redundant.
- Reduce the Communications Team from seven staff to four and reduce the manager's grading from 10 to a 9.
- Merge the Marketing Officer and Events Officer into one role.
- Reduce the Design Team from three staff to two if income generation is not improved.

- The E-Government budget will be better managed to save a further £50,000.

Following a question, officers stated that other areas of the service could generate income but they would have to be the best they could be before they could be sold but also, that there were councils that wished to buy the services. In the current economic climate there were low prospects for such sales.

The Portfolio Holder clarified that Vertex had been included in the proposals and some of the redundancies did affect their staff. It was confirmed that there was a possibility that the Council would pick up some of the costs for making Vertex staff redundant.

RESOLVED: That Cabinet note the comments when considering the proposals.

14. PROPOSED FEES AND CHARGES 2011/12

The Committee was informed that officers had considered the fees and charges in much greater depth this year and reminded Members that some charges were strategic. For example, some charges were high to discourage activities whereas some charges were finely balanced to allow for the greatest amount of income generation. Therefore, although income maximisation was the key aim, the Council also had to be responsive to its communities.

Officers confirmed that charges for those residents who did not park properly were fixed by statute.

There was a brief debate on whether Thurrock's charges were similar to those of neighbouring councils and it was agreed that, on the whole, Thurrock's charges were not less than its neighbours. Feedback for services that charged were good so there was certainly scope to increase the charges further, if necessary, in the future. The Chair felt that the Council could increase certain charges significantly in one year and then leave them at that level for some years, rather than increasing the charge incrementally each year.

RESOLVED: That Cabinet note the above comments when considering the fees and charges.

15. COMMUNITY ENGAGEMENT TASK AND FINISH GROUP UPDATE

Councillors Anderson and Liddiard outlined the review they undertook and highlighted the following key findings and thoughts:

- Senior managers could visit community forums to better understand local issues.
- Develop participatory budgets

- The geographic approach to engagement was the preferred option.
- Members have a fund to use on projects was championed.
- Clusters of wards could be established to enable local communities decision making powers. The more capable of running their affairs, the more power could be devolved to these clusters.
- Change the way the Council commissioned services
- Avoid themed groups when engaging
- Undertake a trial before introducing the system fully.

Councillor further clarified by stating that merging an area with similar politics and demographics would help officers engage more effectively in an area and allow those residents to help design and develop council services. Councillor Anderson added that the Community Engagement Strategy, although a good start, still needed to be costed and aligned further with the Panel's recommendations.

Councillor Johnson and Revell, although in favour of the system, did have a number of reservations and issues that they felt needed to be resolved or noted before continuing with the projects. These were:

- Residents might request services or actions that the Council could not deliver. This would lead to discontent. (Councillor Anderson responded to this by stating the evidence had suggested this would not be the case if the consequence of decision-making was clearly outlined to those involved).
- The money available to communities for spending needed to be easily accessible and not tied up in bureaucracy. (Officers responded that governance of the system would be a light touch, providing a steer but not stifling democracy).
- It needed to be fully costed.
- It required strong political leadership from the Members for it to work
- It would require sufficient officer support to support the decision-making process. Will this be possible considering the current savings proposals?
- Members might disagree over the spending of money. They needed to be unified.
- Ensure Communities do not split following the forming of the clusters due to conflicts of interest.
- Note that not every resident wants to be involved in decision making.

Councillor Nicklen felt that the concerns were founded but there had to be a basic good standard set for the clusters to work from and therefore felt the project was still viable.

It was stated that each Member would receive £2000 to spend on community projects although this could change as the system developed and matured. It was added that many other councils had already undergone these changes at different levels and forms.

Following a question from Councillor Curtis, officers clarified that the Panel had not investigated in detail the impact of the proposals on community forum decision making, although two forum members had attended the meetings and had been supportive of the proposals.

RESOLVED: That:

- i) The report and appendix A be recommended to Cabinet.**
- ii) Officers continue work on the Community Engagement Strategy with full costings and present to Cabinet in January or February 2011.**
- iii) Attending panel members at Cabinet where the report is presented, highlight to the Cabinet that the Strategy is started and under progress.**

The meeting finished at 9.06pm.

Approved as a true and correct record

CHAIRMAN

DATE

**Any queries regarding these Minutes, please contact
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or alternatively e-mail mboulter@thurrock.gov.uk**