

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

Present: Councillors Barry Johnson (Chair), Wendy Curtis, Bukky Okunade and Terry Hipsey

Apologies: Mike Revell and Danny Nicklen

Attendance: Councillor Oliver Gerrish – Portfolio Holder for Central Services
R. Waterhouse – Interim Corporate Director for Change & Improvement
M. Hone – Corporate Director of Finance & Corporate Governance
G. Farrant – Chief Executive
S. Welton – Corporate Performance Office
Laura Last - Performance & Communications Manager
K. Fenton- Policy Officer
M. Boulter – Principal Democratic Services Officer

16. ADDITIONAL ITEMS

The Committee thanked Keith Fenton for his contributions to the committee and its previous incarnations and wished him well for his future retirement.

17. DECLARATIONS OF INTEREST

a) Interests

No interests were declared.

b) Whipping

No interests were declared.

18. MINUTES

The minutes of the Corporate Overview and Scrutiny Meeting held on 4 November 2010 were approved as a correct record.

**19. CORPORATE PERFORMANCE REPORT SEPTEMBER 2010
(QUARTER 2)**

The report had taken a different format from previous meetings and had become more graphical. Members' attention was drawn to the overall performance of the indicators and they were informed that the targets had been challenging and that the indicators would change over the oncoming year to reflect a more local focus.

With regards to invoices paid within 30 days, the Council was currently only achieving 92% performance against a target of 97%. Officers explained that this situation was caused by a number of factors including the recent measures of austerity which only allowed senior managers to sign off expenditure. This had inevitably slowed the process down. Similarly, the requirement for all invoices to have a purchase order had also slowed the turnaround times on some invoices. Officers were confident performance would improve for the remainder of the municipal year although the cumulative performance would not be enough for the Council to achieve target by the end of March.

With regards to the percentage of relevant repairs completed on time on council housing, officers explained that performance was lagging due to the absence of a computer based referral system, which was due to be installed from early February 2011. Manual tracking of jobs was being made robust in the interim. The contractor had also employed two members of staff into the Council's call centre to train staff in logging jobs correctly so that performance data was accurate. In general Members expressed their disappointment with the current performance of the contract and requested that more information come back to the Committee.

Officers outlined work being undertaken on sickness levels and it was stated that although sickness levels had not improved by a great deal, data quality was much better and that the Council could now work with a realistic idea of what actual sickness levels the Council had. Training of managers in sickness management, assessing long term sickness cases and developing the sickness reporting structure were all ways the Council was working to improve sickness levels. Officers added that the current savings proposals could have an impact on sickness levels and there were arguments to say that levels could both increase or decrease.

Youth re-offending was briefly discussed and it was clarified that the Council did not control the information regarding re-offending levels and were beholden to a number of agencies for this information.

The Committee agreed that a working group to look at a new corporate scorecard would be beneficial and councillors Johnson, Curtis and Okunade expressed an interest in taking part.

RESOLVED: That:

- i) The Committee notes the key priority service areas in quarter 2.**
- ii) The Committee notes the improvement activity that is either currently underway or being commissioned in respect of underperforming indicators.**
- iii) The Committee notes the improvement activity underway in relation to sickness absence.**
- iv) A briefing note on the housing repairs completion times be provided to the Committee outside the meeting with a view to receiving a report on the issues at April's meeting.**

20. BUDGET 2011/12- PRIORITIES AND SAVINGS

The Committee was informed that the income generation and the grants that the council received from central government were all reducing in the next three years. The Council was expected to generate around £10 million next year and would only borrow a further £3 million. Due to this situation, Members and officers would have to work together to decide which key projects would be invested in as currently, all projects requiring investment stood at over £26 million.

The Committee was also informed that following the announcement of the government's settlement with local government, the Council would still need to find a shortfall of around £750,000. Following a question from one Member, officers explained that this shortfall was hopefully going to be sourced from the Vertex partnership, which had been approached to make the savings on the basis that it could well save them money and maintain their profits in the long term.

Other issues the Members were made aware of included:

- There would be no rise in Council tax (although police and fire service rates could well increase by a marginal amount)
- There would be no pay rise for Council staff except the very lowest paid.
- The Council would not be required to contribute to the pension fund any more than it presently did.
- There would be a continued freeze on the use of temporary staff, overtime payments in some cases and non-essential staff training.

Following a question on business rates, officers replied that they had written to the secretary of state to urge him to introduce new legislation as quickly as possible to allow councils to reap the financial benefits of

encouraging new businesses to establish themselves within their boundaries.

There was a discussion on Vertex's role within the savings and officers stated they were fairly confident Vertex would work with them to reduce costs and save front line services. It was hoped that as a partnership both the Council and Vertex could work together to provide the best service for residents. It was added that there could be redundancy costs, payable by the Council, for certain Vertex staff. Following a question from Councillor Hipsey, officers stated that the £750,000 could not be pushed onto the next year's round of savings and that it had to be made for the 2011/12 year.

In the longer term officers were unaware of savings proposals for year four of the savings, although for the 2012/13 and 2013/14 years, the Council would seek to make £20 million savings through longer term efficiency measures.

With regards to the list of projects requiring investment, the Committee felt it could not comment on what projects were a priority although Councillor Hipsey did suggest that refrigeration systems in the civic offices could be renovated at a much lower cost than simply being replaced and this could well be an option.

Throughout the discussion it was clarified that the Council would benefit from low interest rates when saving for its reserves as long as interest rates remained below 3%. It was hoped that in three to four years, the Council's reserves would be at an acceptable level. It was also stated that there was an asset management strategy being developed to capitalise on the Council's properties and that Cabinet was due to consider this in February.

RESOLVED: That:

- i) The Committee note the need to prioritise the infrastructure projects presented in the report and that the suggestion made at the meeting be considered.**
- ii) The practice of reporting all overspend of £0.5 million or more to Full Council continue.**
- iii) All comments made during the meeting be made available to Cabinet in their February deliberations.**

21. WORK PROGRAMME

The Committee noted the request to form a Performance working Group and to receive some form of report on the housing repairs

contract, both of which had been discussed in the course of the meeting.

The meeting finished at 8.30pm.

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**