

Minutes of the Meeting of the Corporate Overview and Scrutiny Committee held on 11 December 2014 at 7.00 pm

Present: Councillors Yash Gupta (Chair), Shane Hebb (Vice-Chair), Terry Brookes (substituting for Cllr Gerrish), Val Morris-Cook, Charlie Key and Graham Snell (Substituting for Robert Ray).

Apologies: Councillors Oliver Gerrish and Robert Ray.

In attendance:
Steve Cox, Assistant Chief Executive
Kathryn Adedeji, Head of Housing, Investment and Development
Sean Clark, Head of Corporate Finance
Jackie Hinchliffe, Head of HR, OD and Customer Strategy
Matthew Boulter, Principal Democratic Services Officer

Before the start of the Meeting, all present were advised that the meeting may be filmed and was being recorded, with the audio recording to be made available on the Council's website.

8. Minutes

The Minutes of Corporate Overview and Scrutiny Committee, held on 24 July 2014, were approved as a correct record. Councillor Gupta asked whether the recommendation on page 16, to look into merging the Citizen's Advice Bureau funding with the core grants for the voluntary sector had progressed. Officers stated this had been investigated and not been seen as practical.

The minutes of the meeting of Chairs and Vice-Chairs of Overview and Scrutiny 27 October 2014, were noted. Councillor Hebb requested a more in depth report for January's meeting.

9. Items of Urgent Business

There were no items of urgent business.

10. Declaration of Interests

Councillor Gupta declared a non-pecuniary interest in relation to item 5 by virtue that he worked with seven voluntary sector organisations that would be affected by the budget proposals.

11. Shaping the Council and Budget Progress Update

The report related to the entire budget process and would be going to Cabinet next week. In the Government's autumn statement it had been made clear that savings would continue to be made up to 2018 after which savings were

still expected but at a lesser rate. The Council also had to work around a number of challenges, namely the reduction in business rate collection which had occurred due to the closure of Tilbury power station and appeals lodged with the Valuation Office. The cessation of sharing some senior management with Barking and Dagenham would also increase financial pressures but a management restructure being presented to Cabinet next week would keep costs at their current level.

Officers were confident that the 2015/16 year would have a balanced budget including the following factors:

- The amount of savings for the voluntary sector had been reduced.
- There would be a continued commitment to providing the essential living fund for that year.
- Capital spends will be agreed at Cabinet next week and then taken through the relevant Overview and scrutiny committees.
- The £3.5m of budget pressures brought forward into 2015/16 from 2017/18 be reduced to £1m.

Officers had run the budget through the worst case scenarios and were confident they could deliver the increased savings for 2015/16 and go further. They believed the savings targets set were realistic and not constructed to simply be achievable. There was an assumption that Council tax would increase by 1.99% but should this not happen the Council would need to identify alternative income or expenditure reductions including the use of any freeze grant available and the contingency available for demographic growth.

Members asked whether a £2 million saving from Serco was realistic and this was noted by officers to discuss in a later report.

In terms of the asset disposal programme, the Council had set a target to achieve £7 million savings from the sale of assets. There was a particular property that was being processed at the present time which would not complete until 2015/16 year. When this was achieved the savings would exceed the £7 million target. Councillor Hebb queried whether the assets sold were the most convenient and not necessarily the most strategic to sell. The committee agreed to pick this up in a report in the New Year.

A brief discussion was had on the Citizen's Advice Bureau (CAB) and it was noted that no discussions had taken place to merge funding of the CAB and the voluntary sector in the future. Members all agreed that more scrutiny of the CAB's spending needed to occur as well as more validation around the actual facts and figures that were provided to the Council. The future funding for the CAB had yet to be agreed by Cabinet.

RESOLVED that officers note the above comments in preparation for Cabinet next week.

12. Transformation Review

The Transformation Programme had been running for three years and covered five key areas, namely:

- The digital programme
- Community Hubs
- Civic Offices transformation
- IT
- Procurement

It had been essential for the council to modernise and in some cases to meet government requirements. The new website was the fastest local government website in the UK and 10,500 residents had already signed up to 'my account' which provided an increasing suite of online services. The council was planning a marketing campaign next year to increase the number of uses for 'my account'.

Members noted that the council was planning to measure the usability of 'my account' as second phase of the project. Councillor Morris-Cook suggested that the Council look into a quick online questionnaire similar to the car tax questionnaire on central government's website.

Officers confirmed that the workforce did engage in the call for their suggestions on efficiency savings. Many of the suggestions were fed into service specific changes or particular projects.

The Committee discussed the ground floor reception and agreed that self service was an essential feature going forward. Officers stated this was in the current proposal.

With regards to savings figures, the programme had saved £1.4 million in 2012/13 and £1 million in 2013/14. However, officers stressed that the programme was now focussed on enabling services to make savings through revised working arrangements and processes.

The Committee recognised that a section of the community would not be able to use online services but officers reassured Members that support for those sections of the community were still present.

RESOLVED: That:

- 1. The report is noted.**
- 2. Officers investigate a suitable feedback service for 'my account' going forward.**

13. Serco Strategic Partnership Update Report

The Council was nine and a half years into a fifteen year contract with Serco, formerly Vertex. 22% of all staff at the Council were related to the Serco contract in some form. It was important for the Council to ensure that for the remaining years of the contract it received value for money. As a result, a baseline project had been started to re-evaluate the contract, what the council was getting for its money and to renegotiate from that.

The Council was disappointed by the corporate and strategic response by Serco to the need for savings. The Council was reviewing the performance indicators to ensure all figures reported were accurate and that they reflected strategic aims as well as the day to day operational ones as well. It was noted, however, that a number of Serco performance indicators were merged with council indicators, such as the collection of council tax, for example.

Following a question officers stated they were confident that the council could resume the services provided by Serco after the end of the contract in 2020 as the majority of the services were transactional ones.

Officers outlined the composition of the Partnership Management Board, which was chaired by the Chief Executive and included the Managing Director of Serco, the Council's Director of Housing, Head of Housing and Commercial Services, Head of Finance and various directors from Serco. It was noted that Serco's financial situation nationally fluctuated.

RESOLVED that the Committee endorse the approach outlined in the report and agree to receive further updates through the regular performance reports presented at this committee. This will include, at the appropriate time:

- **An updated partnership contract that takes into account all agreed changes and provides for the effective use of all commercial tools available.**
- **Cost savings – a proposed Partnership savings target and delivery plan.**
- **Reshaped partnership – Amended services and revised output specifications.**

14. Work Programme

The Committee discussed reviewing purdah rules and all agreed that the constitution working group was best placed to investigate this.

RESOLVED: That:

- 1. A report on customer service and channel shift be added to February's meeting.**

2. **An update on the voluntary sector funding be provided at January's meeting.**
3. **Updates on Serco be provided through the regular performance monitoring reports.**

The meeting finished at 8.27 pm

Approved as a true and correct record

CHAIR

DATE

**Any queries regarding these Minutes, please contact
Democratic Services at Direct.Democracy@thurrock.gov.uk**