

# Minutes

## Overview and Scrutiny Committee

27<sup>th</sup> January 2010



Councillors	Present	Councillors	Present
J. Baugh	Yes	A. M. Meyer	Apologies
G. Cohen	Yes	R. Ramage	Yes
M. Dunn	Yes	D. E. A. Rice	Apologies
Dr. R. L. Evans	Yes	A. F. Shelton	Yes
M. Gage (Chairman)	Yes	Mrs. J. Smith	Yes
J. E. B. Gyford	Yes	F. Swallow	Apologies

The following Members and Officers were also in attendance for item 5 of the Agenda concerning Budget Scrutiny.

Cllr. M. Lager, Portfolio Holder for Efficiency and Resources

Cllr. N. Harley, Deputy Leader and Portfolio Holder for Enterprise and Culture

Cllr. Lady Newton, Portfolio Holder for Housing and Well-Being

Cllr. Mrs. G. Spray, Deputy Cabinet Member for Housing and Well-Being

Mr. T. Wilson, Head of Finance

### 48. DECLARATIONS OF INTEREST

(i) Councillor J. Gyford declared a personal and prejudicial interest in item 5 of the Agenda regarding Budget Scrutiny as he was Treasurer of the Witham Constituency Labour Party which operates a commercial car park.

He left the meeting when car parking charges were discussed.

(ii) Councillor Lady Newton declared a personal interest as she was a Non Executive Director of NHS Mid Essex. She remained in the meeting.

### 49. MINUTES

**DECISION:** That the minutes of the meeting of the Overview and Scrutiny Committee held on 2<sup>nd</sup> December 2009 be approved as a correct record and signed by the Chairman.

### 50. QUESTION TIME

**INFORMATION:** There were no questions asked or statements made.

## 51. BUDGET SCRUTINY

Cllr. Gage the Chairman welcomed Members and Officers to this third and final scrutiny session on the Cabinet's proposed budget for 2010/11.

Members had before them a copy of a report that was due to be considered by Cabinet at its meeting on 1<sup>st</sup> February 2010, entitled 'Finance Proposals 2010/11 – General Fund and Housing Revenue Account – Revenue and Capital' and a series of accompanying appendices A to P.

Cllr. Gage explained that the session would consist of a question and answer session (based on a series of four pre-set questions) with Cllr. Lady Newton, Portfolio Holder for Housing and Well-Being, Cllr. M. Lager, Portfolio Holder for Efficiency and Resources, Cllr. N. Harley, Deputy Leader and Portfolio Holder for Enterprise and Culture, concerning their respective budgets.

The answers to the preset questions and supplementary questions are summarised below:-

### Cllr. Lady Newton

#### Question 1

Can you explain how you developed your budget for 2010/11 taking into account corporate priorities and the Medium Term Financial Strategy 2008/09 to 2011/12?

#### Answer By Cllr. Lady Newton

In respect of the housing service, I had discussions with the Head of Housing about the challenges that arise in this area. Although we no longer own any public housing, we do still have statutory responsibilities for housing strategy, homelessness, and the affordable housing strategy. All the relevant strategy documents are in place. There are a number of associated action plans, and a main consideration in examining budgets is to ensure that we have the necessary staff and resources in place so that we can deliver on those action plans.

We are receiving some additional funding in 09/10 and 10/11 from the Department for Communities and Local Government (DCLG) which is provided to help local authorities respond positively to, and have schemes in place to minimise the impact of the recession on households that might be at risk from homelessness. These are, however, one off allocations.

In 09/10, we have received:-

£6,000 recession impact funding;

£47,500 repossession and eviction prevention funding.

Some further funding is being provided to Essex local authorities through the Local Area Agreement in connection with one of the LAA targets to reduce the use of temporary accommodation for housing the homeless. In 09/10, we will receive just over £11,000, and a similar amount for 10/11.

In respect of the welfare rights service, a post was due to be deleted at the end of this

financial year. A post that became vacant last year was not filled. However, as a result of the budget public consultation process on the proposed 10/11 budget the welfare rights service was highlighted by the public as a service that should be retained as it was considered to be a valued service. Cabinet subsequently agreed in December to reinstate that service within the budget for the coming year, but that it would come to an end in April 2011. This will enable the Council to consider how alternative provision might be made. We have already been in discussions with the Citizens Advice Bureau about their capacity to provide this role, and also with the Pensions Service about their ability to pick up some of the case work. Those organisations think that they may be able to provide the service based on the figures that we have given them.

In respect of the leisure side, the leisure development budget for 09/10 is £1.338m. Expenditure in 08/09 was £1.492m, but £1.28m of that budget was actually allocated and spent on leisure services through the contract with our operator DC Leisure. We are locked into that contract which runs until August 2012. This only leaves a budget of approximately £150,000 that is used to meet the management costs of that contract and sports development activities. The latter is a key area for us. We do have to be careful about cutting any of our sports development activities, because a lot of our leisure facilities – Halstead Leisure Centre, the Braintree Pool, our all weather pitches – received capital grants from Sport England on the basis that we would be promoting activity and increasing participation rates. There is not therefore much scope for making cuts in those areas to reduce budgets. It is always difficult to know what expenditure might increase during the year, e.g. in respect of any urgent repairs that may unexpectedly occur.

From a health and well being perspective, one of the main areas of activity is working in partnership with other agencies particularly the Primary Care Trust (PCT), the County Council, the Local Strategic Partnership with a view to meeting some of our LAA targets and national performance indicators. We have appointed jointly with the PCT a Health and Well Being Development Officer on a two year fixed term contract so that we can address some of the health inequalities across the District.

## Question 2

With the current climate, what efficiency savings have you put in place and what effect will they have on services, etc?

## Answer By Cllr. Lady Newton

On the leisure side, it is actually very difficult to reduce expenditure on sports development because there is the risk of 'clawback' from Sport England. Nevertheless, we have examined how the department operates and reviewed posts within the department. There are proposals to change a number of job roles in the leisure development function with a view to putting the service in a much stronger position for the future to enable us to manage the transfer of leisure facilities to possible alternative providers over the next two years.

In terms of housing, as explained in Question 1, the Welfare Rights Service will finish in 2011. One of the holders of a part-time post in this section whose position had originally been under threat in the current financial year, but which had been extended for a further year, will in fact be leaving in February to take up a position in welfare rights with the County Council. That leaves us with additional challenge of how we deal with the demands on the service with only one part-time employee in place. There is consequently no scope for making further efficiency savings.

### Question 3

How have you taken decisions about which services are considered priorities and which are not?

#### Answer By Cllr. Lady Newton

In terms of services which are considered to be priorities and which are not, the welfare rights service is a priority for next year until we can put some other provision in place with other agencies.

In terms of the leisure side, there are clear links between leisure and the health agenda, and also some less obvious links with the commercial sector in the district. For any business looking to move to or stay in the district, it is clearly an advantage for them to have good leisure facilities that can be accessed by their employees.

In our work with the health sector, there are some priorities where we receive funding from other agencies eg regular walking programmes. Recently, we have received funding from the PCT on the setting up of outdoor gyms. We need to maintain these links and I do not see us reducing them in the near future, because they do tie in with a number of LAA targets which we have signed up to.

### Question 4

Are there any proposed changes to the budget for service areas and, if so, what are their implications for service users, with particular emphasis on potential areas for budgetary cuts?

#### Answer By Cllr. Lady Newton

On the leisure side there are no changes proposed at this stage. As regards the new leisure centre at Witham, it is expected that this will bring savings to the Council, but those will not be realised until the next financial year 11/12. The Council currently subsidises the Bramston Sports Centre facility to over £0.5m per year.

It is unlikely that the budgets for the sports development side will be reduced because to do so would invite the possibility of 'clawback' of grants from Sport England.

In terms of the housing function, with the additional funding provided by the DCLG we are working jointly with Maldon District Council to help fund the CAB jointly by appointing a Homelessness Prevention Money Adviser post for the coming year. The postholder will give money advice to residents of both Braintree and Maldon districts, who face the possibility of being homeless through eviction or repossession due to rent or mortgage arrears. This person is expected to spend two days per week in Braintree District and to deliver advice from a variety of locations including clients homes. That will be a contribution to preventing homelessness.

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### Supplementary Questions and Answers.

#### Question by Cllr. M. Dunn

Do you think in terms of both the housing and leisure aspects of your portfolio, that all of the money the Council is spending is well spent. Particularly in respect of homelessness,

do you think we have adequate funds to cope with that, and do you think that the extra funding you have managed to get is valuably spent?

Answer by Cllr. Lady Newton

I believe the people we are helping would consider that it is value for money. Certainly, recent statistics do demonstrate that we are actually exceeding our targets on homelessness prevention, and the officer who was appointed some months ago is clearly focussing on that area and making a positive impact.

Our work on the homelessness side ensures that we keep people out of bed and breakfast accommodation, and the Council has always had a strong policy not to place homeless families in that type of accommodation. It would cost the Council a lot more to put people in bed and breakfast accommodation as opposed to providing them with housing.

Questions by Cllr. A. Shelton

1. As regards the homelessness side, I note that we have sold off a number of properties recently. Is that an indicator of our success in avoiding homelessness in that we do not need the same number of housing units for that purpose, or have we found alternative housing that can be used?

2. In respect of sports development, I do not see a lot of evidence of this. Can you provide more details of what is going on in the district?

3. In respect of disabled facilities grants (DFG), I believe 2 years ago there were 92 outstanding when they were transferred over to Greenfields Community Housing. I know that most of those have been dealt with, but have we got adequate resources to deal with DFG applications, and what about the role of Care and Repair who support non social housing applicants with small jobs and aids and adaptations. I understand that we are ceasing our contract with Hanover Housing in respect of Care and Repair – how are we going to deal with it in the future?

4. Is one of the outdoor gyms going to be in the north of the district and if not, why not. Also when are the gyms likely to come on stream?

Answer by Cllr. Lady Newton

1. We have sold off 2 to 3 properties that were previously used for homelessness purposes. When the housing stock was transferred to Greenfields we had an arrangement with them that they would hold a number of properties for BDC so that the Council could meet its statutory obligations for housing homeless families. For some quite complex reasons, the number of units that the Council has been using has been falling. However, because of the contract that we entered into with Greenfields there have effectively been units standing empty and this has cost the Council money. We therefore negotiated with Greenfields and have reduced the number of units over the last year. Nevertheless, we are still holding some properties vacant.

One of the difficulties is making sure that we have the right mix of properties (two and three bedroom properties).

2. We have agreements with NACRO involving work with under-privileged youngsters to get them actively involved in sport. The 'all weather' pitches are the hub of sports development work involving a myriad of different sports clubs and organisations.

3. Administration of DFGs is a little complicated. The problem lies not with the District Council, but with the assessment of peoples' needs which is carried out by the County Council. There have been delays of 18 months in getting assessments carried out which is clearly not satisfactory. Greenfields have in fact now taken on their own assessor. The problem has been and will continue to be regularly raised with the County Council.

The Care and Repair service is coming to an end and I raised this issue at a local meeting with the relevant County Council Cabinet Member and Officer. The County does not have a county wide policy on the provision of this type of service. I think that it's something that they need to address and have asked the County representatives to consider how we might have a common Care and Repair service across the county provided by one contractor.

4. There is nothing planned in the north of the district at the moment, but this will be raised at the next meeting of the Housing, Health and Well Being Partnership Board and then at the PCT. However, the PCT also has difficulties with its budgets.

There are two outdoor gyms that are being funded by the PCT at Spa Road in Witham and Coldnailhurst Avenue in Braintree respectively. The PCT specified that the outdoor gyms should be located where there is a lot of footfall, and adjacent to other recreational facilities, and where they could be easily overseen so that damage from vandalism is kept to a minimum. Installation of the equipment for the outdoor gyms is imminent.

#### Question by Cllr. J. Gyford

I just wanted to follow up on a comment that Lady Newton made relating to the Witham Leisure Centre proposal. Appendix M of the report that is going to Cabinet includes the capital funding for Witham Leisure Centre for 10/11 and 11/12 and that funding has already been approved and amounts to approximately £4.5m. The scale of that spending and the scale of those facilities is dependant on the size of the building that we are contemplating and, if I understood Cllr. Lady Newton correctly, the fact that the new building as currently proposed lacks a sports hall reflects the desire to reduce the current Council subsidy when compared to the running of the existing Bramston Sports centre?

#### Answer by Cllr. Lady Newton

I did not mean to suggest that at all. I do not think that those two points are necessarily related. The proposed new leisure centre at Witham is based on what is judged to be the need, but with account taken of other provision in the town that will occur as a result of the development being undertaken by the Academies Enterprise Trust. We are being careful not to duplicate facilities. If we were to put a sports hall into the new leisure centre we could end up with three sports halls in Witham and one would have to question whether this is a sensible use of public money.

I am keen that the accommodation proposals at the new Witham Leisure Centre are very flexible and are able to accommodate changing trends and popularities of different sports that may occur in the future. It needs to be affordable in terms of its demands on the Council's revenue budget, and it needs to be good value for money.

I have been to visit Bramston recently. There is a lot of wasted space at the centre, it is an old facility and would be very difficult to update. Therefore, there has to be a revenue saving in terms of running that facility.



#### Question by Cllr. J. Gyford

To some extent, the absence of a sports hall is being presented as the almost accidental result of discovering that the site is too small which seems to me to be very bizarre. Was the decision not to have a sports hall made before the site was identified?

#### Answer by Cllr. Lady Newton

I do not believe that was the case. Since I took over the Portfolio last May I have always been conscious of the Academies Enterprise Trust plans. If the Trust is putting a sports hall on each of its sites there would not appear to be a need for the Council to provide another sports hall.

#### Answer by Cllr. M. Lager

I would draw Cllr. Gyford's attention to page 10 of the Cabinet Agenda for next Monday which is very clear as to just how the replacement provision is to be laid out in the town. As Cllr. Lady Newton indicates, there is no point in duplicating or over-providing provision because it makes it very clear that the sports hall provision would be available not only on the Spinks Lane site of the Maltings Academy, but also at the new Rickstones Academy in the north of the town. I think we are enhancing the provision rather than diminishing it. There is no question of the decision not to include a sports hall having been arrived at purely on space grounds or necessarily on financial grounds. The commitment that was made originally was to ensure that Witham had a pool and that is what is being delivered.

#### Answer by Cllr. Lady Newton

Members are reminded that there was a very in-depth report that was prepared by Strategic Leisure which looked at current provision and at projected needs across Witham and its catchment area. The findings from that report form the basis of the proposals that went to Cabinet for the standard option.

#### Question by Cllr. J. Gyford

Lady Newton has referred to the report by Strategic Leisure, but this document does not explain the consultant's full workings as to how they arrived at their answers. I have been seeking this information for the past 3.5 months including meeting with the Council's Chief Executive who has agreed that I should have this information. A representative of the consultants is due to attend to take me through the figures, but I still do not have them yet. That is why, partly, I may find it difficult to understand the internal logic that has gone into the particular calculations as to how big this development should be. When I find, for example, that one of the reasons given is 'due to site limitations' that does not help me understand either. At what point was it decided not to have a sports hall? Was it at some point during the arithmetic of Strategic Leisure's report or was it on day one that a policy decision was taken for reasons that Cllr. Lady Newton may already have outlined that we will not under any circumstances build a third sports hall for Witham?

#### Answer by Cllr. Lady Newton

I have at no stage been aware and neither have I given instructions to anyone not to include a sports hall. Additionally, although Cllr. Gyford has requested information of the 'workings out' of the Strategic Leisure report I have not myself seen any such numbers, but both Cllr. Gyford and myself are meeting with the consultants to seek further

information from them in this respect.

#### Questions by Cllr. Dr. R. L. Evans

1. In connection with the proposed Witham Leisure Centre, page 10 of the report to Cabinet on 1/2/10 indicates "Results of the consultation process have demonstrated that, whilst the majority of feedback has been very positive, concerns were expressed regarding the omission of a sports hall. This particular facility will not be included in the footprint of this new building due to site limitations; however a substantial sports hall facility, equivalent to 4 badminton courts, is to be included on the Spinks Lane Sports Academy site and will be available for use by clubs. We understand that a similar size sports hall will also be available at the New Rickstones Academy site at Conrad Road, Witham." My question is do we have any idea at this juncture when the sports halls at the academies sites will be available to the public. Clearly, from the consultation process on the Witham Leisure Centre there will be interest from the public as to what sports hall facilities are available to them?

2. In relation to efficiency savings, has any serious consideration been given to the use of solar panels in the new Witham Leisure Centre?

#### Answer by Cllr. Lady Newton

1. I feel the report could have been worded a little differently. It neglects to say that we have had regard to the wider provision of sports halls across Witham.

It is correct that there was considerable feedback from the consultation about the lack of sports halls. It had been queried post consultation as to why we had not informed people about the provision made by the Academies Enterprise Trust (AET). All I can say is that we were consulting on our own proposed facility, and that has led to some confusion.

There has of course been considerable reporting about AET's proposals and they now have planning consent, and there was public consultation in respect of those proposals which clearly indicated that there would be sports halls.

However, I have to accept that quite a bit of the feedback on our proposals was as a result of people not being aware of the wider provision.

In terms of what any agreement might look like in the future in terms of public access to AET's sports halls, it is too early to say - we are not yet at that stage. I have not had any discussions on those details.

2. We are not at the detailed design stage, but the building will be built to a BREEAM very good standard and I am sure consideration will be given to the inclusion of appropriate energy saving/production measures.

#### Question by Cllr. Mrs. J. Smith

As regards the contract with DC Leisure that is due to expire in 2012, have there been extra items of expenditure in relation to the contract that have exceeded the budget. Do we make any contingency in the budget for this?



Answer by Cllr. Lady Newton

The contract has been running for 9 years and there have certainly been extras in that DC Leisure will come forward with items of expenditure that are over and above what was included in the contract. We are always having difficult discussions with DC Leisure as to what might be additional valid expenditure and which of the parties is responsible under the terms of the contract for paying it.

Answer by Trevor Wilson, Head of Finance

There is a small contingency that we have allowed for in the past to make sure that we can cope with some minor variances, and there are regular discussions with DC Leisure on various items. Over recent years, however, we have not been substantially over budget. There is provision in the overall contract sum to allow for any minor variances.

Question by Cllr. Mrs. J. Smith

Members received an e-mail before Christmas about the provisions that were being made for unfortunate people left sleeping on the streets and providing them with shelter overnight. Do you have any figures as to how many people availed themselves of this service, and is the service still continuing as we still have freezing temperatures overnight?

Answer by Cllr. Lady Newton

During the very cold weather, we quickly put in place an arrangement with the Salvation Army which would provide 6 places. Anyone going in would need to be properly vetted, but I am pleased to say that, surprisingly, none of those places was taken up. I will let Cllr. Mrs. Smith have a follow up report that was compiled setting out what we did.

Question by Cllr. R. Ramage

On the subject of welfare rights, have you had consultations with the CAB as to whether they can provide that service, and will the Council financially assist the CAB to take on this extra burden?

Answer by Cllr. Lady Newton

We appreciate that the CAB is currently working at overcapacity, but I cannot say at present what arrangements the Council might come to as regards the welfare rights service. We are in discussions with the CAB and had a first meeting in December so it is still early days.

As I have indicated earlier, some of the additional funding that the Council has received from DCLG is going to the CAB in connection with the Homelessness Prevention Money Adviser post in association with Maldon District Council, so that is already in hand.

Looking further forward to when the welfare rights service does come to an end in April 2011, we will of course continue in the meantime to have discussions with the CAB.

Question by Cllr. R. Ramage

As you know the PCT produced a 5 year plan. As far as Braintree District is concerned,

can you tell us what input the Council had to this plan particularly as regards health facilities in Witham?

Answer by Cllr. Lady Newton

The PCT certainly consulted with the Council as we would have been a statutory consultee. I am aware of the health issues particularly in Witham and I was invited recently to attend a meeting that the GPs were having to discuss facilities in Witham, but was not able to attend because of personal circumstances.

I would say that the PCT is certainly aware of the strength of feeling in Witham. There is no doubt that Witham needs additional services.

The Equitably Access Centre that has been developed at Boreham is now open and they are taking patients, and I Understand that facility is working quite well, and it provides 'out of hours' services as well.

Cllr. M. Gage

Do you feel as a Cabinet Portfolio Holder that you get a fair share of the Council's budget. Are you put upon by other members of the Cabinet who may feel that your priorities are not in line with the Council's priorities and therefore your portfolio should suffer more cuts than anybody else?

Answer by Cllr. Lady Newton

No, I do not feel that. I went through my portfolio's budget in detail and, as I pointed out earlier, there was very little scope in my budget to make cuts at present. In future, that may be a different matter on the leisure side because of the new Witham Leisure Centre. I do get challenged by other Cabinet Members as one would expect.

In respect of the recommendation that is going to Cabinet next week and in terms of getting proper business plan costings on those additional facilities for the Witham Leisure Centre that were shown to be quite important to the public, I had to fight very hard to get that recommendation before Cabinet. The Cabinet will have the opportunity to consider not just the standard option, but whether there is further scope for providing additional facilities.

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Cllr. Gage thanked Cllr. Lady Newton for attending this evening and for providing full answers to Members' questions. On behalf of the Committee, he asked Lady Newton to convey the Committee's best wishes to Lord Newton for a swift recovery.

Cllr. Lady Newton left the meeting at this point.

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Cllr. Gage then invited Cllr. M. Lager, Portfolio Holder for Efficiency and Resources to answer the pre-set questions and to answer members supplementary questions.

Question 1

Can you explain how you developed your budget for 2010/11 taking into account corporate priorities and the Medium Term Financial Strategy 2008/09 to 2011/12?

Answer by Cllr. M. Lager

I had some difficulty with this question, because the way in which we compile the budget is based on services and business plans rather than portfolios, and in most cases they overlap. Most of the charges that come through the Financial Services budget are recharged to user departments on a variety of basis depending on usage, floorspace etc. The corporate priorities are clearly to provide the level of service, and the standard of service that the public requires, and the quality. This is dealt with in financial terms within the framework set out in the Medium Term Financial Strategy.

Question 2

With the current climate, what efficiency savings have you put in place and what effect will they have on services, etc?

Answer by Cllr. M. Lager

The main area has been in connection with the Service Level Agreements (SLAs) for Greenfields. When the housing service left the authority not all of the costs went with it. For example, Members will be aware that when Greenfields moved out we were still left with the part of the building previously occupied by that organisation and we are responsible for maintaining and heating it etc.

Equally, Greenfields had to make arrangements in the interim period prior to moving into more independent accommodation to secure the continuation of certain services from the Council. For a limited period of time, therefore, we had service level agreements to provide various services for Greenfields.

A lot of those SLAs have come to an end. Some of the SLAs that came up for renewal and in respect of which the Council were interested in continuing to provide, such as the grounds maintenance contract, were bid for by the Council, but unfortunately we were not successful.

The indications are that Greenfields want to go their own way and be more independent of the Council.

We have planned for the cessation of the SLAs, and we have planned for the removal of the spare capacity that resulted from those agreements ending and the income from them ceasing. There have been some successes and some disappointments. For example, we had hoped that originally we would have the County Council renting part of Causeway House from 1/12/09, but for a number of reasons this has had to be put on hold and to look at another series of options which the Committee will be aware of.

Most of the efficiency savings have been put in place as a result of the ending of the SLAs with Greenfields. There is more to come because the way in which local authorities run their businesses is changing and will change quite radically. We are moving away from a situation where every employee has their own working space in the building to one where staff will do more 'hot desking'; mobile working; remote working from laptop computers, with a view to speeding up the delivery of services to residents and customers. Work is taking place on this and will result in reduced needs for accommodation. There will be efficiencies and savings arising from a reduced need to travel about and a reduced need for staff accommodation.

We have also reduced progressively the cashier service at Causeway House and have offered more attractive ways for customers to pay their money to us e.g. direct debits; credits through banks; payment cards and a variety of other means to reduce the volume of transactions. The removal of rent collection to Greenfields has taken away a large chunk of the business that the cashiers used to handle. We are still left with a residual amount of cash handling through the car parks etc., but most of the cashiering business we will be able to close down as no longer needed.

With the SLAs, changes in accommodation and ways of working including a move towards lean business processes, and reduction of the cashiering services, we are contributing to the efficiency savings that the authority needs. Over the last four years, we will have achieved savings and taken out of running costs about £4m which, for an authority of this size and with a budget of around £18m, is a huge amount. I do need to pay tribute to the staff who have worked with us and have come up with suggestions themselves.

We have been keen to provide investment in equipment, skills training so that when the need for jobs changes then people can change with them, and that has been much welcomed and a feature of how we have managed the process.

### Question 3

How have you taken decisions about which services are considered priorities and which are not?

#### Answer by Cllr. M. Lager

We have been through one of the most successful consultations on the proposed budget this year. Members will have seen the presentation from Claire Thwaites the Council's Marketing and Campaigns Manager. We have used place and value for money surveys, the Citizens Panel, and various interactive ways for the public to give us their views, and all this has been taken into account in putting the budget together, and in determining priorities. The proposed changes are set out in the Cabinet budget papers.

Our priority has been to try and ensure that the standard of service that we have on offer has not been impaired, and that the quality – our ability to deliver services to a set standard – has not been impaired.

### Question 4

Are there any proposed changes to the budget for service areas and, if so, what are their implications for service users, with particular emphasis on potential areas for budgetary cuts?

#### Answer by Cllr. M. Lager

In terms of changes to levels of service, for example moving our community halls into different management and more local ownership – a key criteria will be that we do not leave our established users homeless and we will work with them to find alternative accommodation.

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### Supplementary Questions and Answers

#### Question by Cllr. M. Dunn

1. With regard to question 3, do you have any services that you consider are not a priority assuming that we may have to make further cuts in the following years?

2. I notice that you have had to increase the provision for redundancy payments by another £0.5m to £1m in total and that seems a lot of money for 44 people. Are our redundancy terms extremely generous or are these staff of very long service and therefore entitled to large levels of redundancy?

#### Answer by Cllr. M. Lager

1. What our residents have told us through the public consultation exercise is that the district should be clean, green and that residents should feel safe. This is an example of how we identified our priorities, and, equally, how things have been identified which are not priorities.

It is through asking and listening to what people tell us that helps us identify priorities and non priorities.

2. It is expensive, but it is important that when employees leave that they do so on terms that are satisfactory to both the authority and to them. Employees will have given up a lot of their working lives to the authority and I want to see people treated well. If you treat people well, then they will treat you well as an employer, and they work well and they are motivated. It is within the terms that have been agreed collectively with our work forces. It is not just payments to employees, but also, in a number of cases, may include costs that have to be paid to the pension fund where staff who are made redundant are entitled to draw their pension.

There are a number of senior long serving staff that are included in the posts that are proposed to be made redundant.

#### Question by Cllr. J. Baugh

One of the purposes of the Fees and Charges Task and Finish Group was to address the Audit Commission report on the ability of local authorities to raise charges. What is the position concerning the increase in the level of fees and charges – in the league table we were significantly lower in comparison with other authorities in relation to revenue raised from fees and charges. Has that position changed?

#### Answer by Trevor Wilson, Head of Finance

The recommendations from the Fees and Charges Task and Finish Group are being taken forward and they form part of the proposals that Cabinet will be considering on Monday night. There are some large increases in a number of the charges to make the service users pay rather than the Council Tax payers generally. In terms of percentage, I do not have the overall increase or how it affects our ranking in the league table.

However, there are a variety of increases proposed in respect of services that attract a fee or charge, and where previously the fees or charges levied did not cover the cost of those services. If the increased fees and charges now proposed are adopted by Cabinet it will certainly take us up the ranking.

#### Answer by Cllr. M. Lager

One of the new charges being proposed relates to pre-planning consultation advice and that is something that I have been very keen to see introduced for some time, because it is a valuable service to potential developers and it is presently provided free of charge, and was something that we needed to remedy. Appendix D to the Cabinet report contains a schedule setting out all the proposed fees and charges for 2010/11. There are a number which remain unchanged because a lot of them are set by the Government. The schedule could be usefully edited in the future to exclude these because the Council does not have to make a decision on them, and too much detail is included on other items.

Question by Cllr. Mrs. J. Smith

In respect of the Institute and other halls, I understand that some of the users at the Institute are saying that they have not been consulted. Is that the case?

Answer by Cllr. M. Gage

I received a recent e-mail from some of the users as did some other members, concerning an alleged lack of consultation, but on pursuing this with Cllr. Mrs. W. Schmitt the relevant Cabinet Portfolio Holder I was advised that a meeting with the users in question had already been scheduled for the following day.

Question by Cllr. Mrs. J. Smith

There was a recent press report that Managers were taken out to Towerlands and that there were 50 to 60 managers involved and some £2500 was spent. Do we have that number of senior managers, and perhaps it would have been better if the event had been held in the evening as opposed to during the working day?

Answer by Trevor Wilson, Head of Finance

We have that number of service unit managers and some may be of a supervisory level. The purpose of the Towerlands event was to advise those managers/supervisors of the challenges facing local government, the changes facing the Council and the role that Managers/Supervisors will play in helping to shape the Council's future.

Question by Dr. R. Evans

1. As regards the Simalto consultation exercise, 3,500 people were contacted, but only 202 responded. How can we make decisions based on people's views when only such a small number reply?
2. In respect of fees and charges, can you clarify whether in fact the long stay parking fees at the car park at White Horse Lane, Witham are in fact being increased – the current price and the proposed 2010/2011 price indicated in the schedule are identical?
3. In respect of fees and charges, the schedule indicates that in relation to Market Charity Stalls it is proposed to double the fee from £5 to £10. This seems somewhat unfair to charities given that they rely on help from volunteers to man the stalls and that the funds they raise on these occasions are often quite modest. Does the Council really need to double the fee?



Answer by Cllr. M. Lager

1. The Simalto exercise was the first time that the Council had undertaken such an initiative. It worked fine, and I think we did well to get 202 responses. This is not the only evidence that is being considered, but it did play its role as part of the package of consultation responses that the Council received.
2. There is an earlier item on the Cabinet Agenda for Monday night dealing with the car parking provision and the associated report includes a recommendation that the long-stay parking charge at White Horse Lane car park be increased to £5 per day given that it is primarily used by commuters. This would bring the charge in line with that of providers of similar car parks in the locality. The fees and charges schedule reflects the position at the time the agenda papers were compiled.
3. As regards charity stalls, the proposed increase emanated from the Fees and Charges Task and Finish Group which investigated the various fees and charges in some detail.

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Following discussion of the proposed increase in the fee for Market Charity Stalls, the Committee **RECOMMEND** to Cabinet that it look again at this item with a view there being no increase to the current price of £5.

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Question by Cllr. G. Cohen

1. How will 'lean business practices' affect the public interface of the Council?
2. As regards earmarked reserves referred to in the Cabinet budget papers, is the Cabinet Member comfortable concerning the proposal to return an element of reserves back to the general revenue balance?

Answer by Cllr. M. Lager

1. We already have some considerable experience of 'lean business practices' – planning applications processes were re-engineered approximately two years ago on 'lean' principles. In a nutshell, that involved taking out a lot of the queues that an application might have to go through while it is vetted for conformity with policies, whether the planning fee has been paid etc. With most of these re-engineering processes you end up with a case manager who is in charge of providing the service that finally delivers to a customer the planning consent or permission etc.

The way in which Managers have been trained in lean processes results in often startling increases in speed of service, and startling reduced unit costs in delivering those services, because you have cut out the queues and the waste, and avoid any unnecessary checking.

Sometimes, you just have to try these lean processes. If we do not get it right first time we have to be open about it, but take action to put it right.

2. Having examined all the earmarked reserves, the proposal is to take £654,000 of earmarked reserves which are either no longer needed or are excessive, and return them

to the general fund balance.

The Council's revenue reserves are then made up of the Housing Revenue Account and the general fund reserve.

The Housing Revenue Account currently attracts government subsidy. When the subsidy finishes in two years time we will no longer need to keep that account open. The account currently amounts to just over £5m.

We also have an unallocated general fund reserve which has dropped to £903,000 due to a number of reductions, and have established a policy where we do not want to see that reserve drop below £1.5m. The proposal is that the general fund reserve will be topped up from earmarked reserves.

This will provide the Council with a very sound position to go forward and where we can cope with any uncertainties that we may have to face.

Question by Cllr. A. Shelton

1. As regards efficiency savings, is there any opportunity to make savings by the District Council paying a reduced business rate given that the County Council did not move in to Causeway House on 1/12/09?
2. Can you confirm that I heard you correctly to say that in relation to the disposal of any of the Council's community halls that established users will not be left homeless?

Answer by Trevor Wilson

1. Under current legislation and following enquiries with the Valuation Office, we are entitled to a three month exemption from business rates for that part of the building previously occupied by Greenfields as it has been kept separate from the rest of the building.

Ultimately, the Council is likely to be located on two floors of Causeway House.

Answer by Cllr. M. Lager

2. Yes, you did hear me correctly. The intention is to work with users to find alternative accommodation for them if necessary.

Question by Cllr. R. Ramage

Can you provide a brief update on the Icelandic Banks situation and the recovery of the Council's investments?

Answer by Cllr. M. Lager

The latest information is as set out in the Cabinet report and sets out the current position with regard to the negotiations being conducted by the Local Government Association on behalf of the affected authorities.

Answer by Cllr. R. Ramage

Have we have made appropriate provisions if the amount of government grant that we

receive is decreased?

Answer by Cllr. M. Lager

The government's grant for 2010/11 is committed as this is the final year of the three year settlement.

As regards 2011/12 onwards, we have had to take a view as to what we think the government grant might be. The assessment at the moment is that it will reduce by 10% over three years, but that figure may be higher.

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Cllr. Gage thanked Cllr. Lager for his detailed and informative answers to Members questions.

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Cllr. Gage then invited Cllr. N. Harley, Deputy Leader and Portfolio Holder for Enterprise and Resources to answer the pre-set questions and to answer members supplementary questions.

Question 1

Can you explain how you developed your budget for 2010/11 taking into account corporate priorities and the Medium Term Financial Strategy 2008/09 to 2011/12?

Question 2

With the current climate, what efficiency savings have you put in place and what effect will they have on services, etc?

Question 3

How have you taken decisions about which services are considered priorities and which are not?

Question 4

Are there any proposed changes to the budget for service areas and, if so, what are their implications for service users, with particular emphasis on potential areas for budgetary cuts?

Summary of Answers given by Cllr. Harley to the set questions.

- \* My portfolio has been very much affected by the downturn in the general economy;
  - \* A key priority is to lend every support to business and enterprise in the short term. Tackling immediate problems has therefore taken precedence over the medium to long term approach;
  - \* A number of initiatives to aid in particular small businesses have been undertaken;
  - \* Potential cost savings will include a review of the viability of the Museum Service, by the Colchester and Ipswich Museum Service;
  - \* Planning has also been a concern with the reduction in the number of planning applications being received and the consequential fall in income.
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## Supplementary Questions and Answers

### Question by Cllr. J. Baugh

What is the present status of the proposal to close the Tourist Information Centre and how is it planned to consult with the tourist industry (particularly with owners of businesses directly connected with tourism)?

### Answer by Cllr. N. Harley

A decision will be made at next Monday's Cabinet meeting as to whether to close down the tourist information centre in the Town Hall. If the Cabinet decide to close it, there will be the possibility of developing revenue from that space within the Town Hall of approximately £27,000 per year. Visitor information will be available at Freeport, Braintree and at Causeway House, and possibly also at George Yard, Braintree.

Looking forward, we see the development of the Council's web site as being key, and our plan is to continue to work with the East of England Tourist Authority, and also with an organisation called DMS who promote and monitor the information that is provided to potential tourists. Also, we will be working with New Vision who are experts in developing web sites for tourist facilities. The costs of developing the website will be just over £10,000 for the first year and about £4,500 for the second year and then ongoing costs of £4,800 per annum. In financial terms there would be an overall saving.

At the same time, there will be a District Promotions Officer appointed who will report to the Head of Enterprise and Development.

The role of the District Promotions Officer will be to promote the information provided for tourists and residents, and he/she will be out and about meeting residents and attending meetings etc.

It should be remembered that practices are changing and people do not walk into tourist information centres in the same way as they did a few years ago. The web site is increasingly used by people to book accommodation, holidays etc., and we are moving in the direction of developing our web site and at the same time making savings.

### Question by Cllr. J. Baugh

Has any serious work been done on judging the impact of these changes?

### Answer by Cllr. N. Harley

The Council has a reputation of being very conscious of its roles and responsibilities to promote economic activity and clearly tourism is a part of that. I appreciate the numbers employed in the tourism industry and the substantial turnover that it generates. The figures are meaningful and I share your concern about their importance.

I mentioned that fact that there would be a District Promotions Officer whose job will be very much to work on and promote tourism and to talk to businesses involved in tourism.

I do not feel we are looking at the loss of human contact – the idea is not to have some faceless bureaucracy. The District Promotions Officer will be very pro-active and will make it quite clear that as an authority we are trying to promote tourism within the district.

There may be a few people that are affected by the closure of the Tourist Information Centre, but the trends are very much to move away from these specific sites. This is the experience of many local authorities and of the East of England Tourist Authority itself.

There is no attempt to diminish the importance of tourism – the Olympics are in 2012 and the site's proximity to the district will bring benefits to the district in relation to tourism which we will be keen to develop.

Question by Cllr. A. Shelton

How are businesses made aware of the support that is available to them?

Answer by Cllr. N. Harley

There has been a considerable effort made by Officers to let businesses know what support is available to them. The last figures that I saw indicated that at least 80% of the businesses within the District had been contacted either directly or indirectly, and made aware of what might be available in terms of support from the authority. You will be aware that there were holidays on business rates, help and advice through Braintree Development Services, so there have been very tangible measures taken. There was also a commitment by the Council to pay its suppliers within 15 days which has a particular resonance for small businesses who may have cash flow problems.

I do feel that the authority has managed to make some real progress and to provide tangible help to businesses.

If you would let me have details of any particular business that has not been contacted, I will arrange for this to be followed up.

Question by Cllr. J. Baugh

Are we also promoting assistance that is available for businesses from other agencies e.g. the Essex Bank?

Answer by Cllr. N. Harley

We will look at any organisation, agency, or bank etc. that we feel can give practicable help to businesses.

One of the gravest side effects in this recession has been the difficulty for medium and small businesses to obtain the requisite funding, and I absolutely welcome initiatives like the Essex Bank. Anything that can help these businesses is to be encouraged.

Question by Cllr. G. Cohen

In respect of tourism, do you know what proportion of the turnover of £186m a year that is generated by the tourism industry in the district, is business and work related and what percentage is tourism proper?

Answer by Cllr. N. Harley

I do not have the breakdown, but I will endeavour to find out the answer for you.

Question by Cllr. Mrs. J. Smith

Has any survey been conducted concerning the footfall in the town hall/tourist office?

Answer by Cllr. J. Baugh

I have figures over the past three years.

Question by Cllr. R. Ramage

In respect of the museum/Warner archive, can you give an update on progress with the Colchester and Ipswich Museum Service?

Answer by Cllr. N. Harley

We have had discussions with the Colchester and Ipswich Councils, and compiled a business plan which I hope will provide the basis for a sensible long term solution by working together. More meetings are scheduled and work is ongoing.

Question by Cllr. R. Ramage

What sort of saving are we looking at in the long term as regards the museum service?

Answer by Cllr. N. Harley

I cannot at this stage give you a precise figure, but it should be significant. Colchester and Ipswich Councils have access to specific museum/cultural funding which we do not, and an advantage of going in with those Councils is that we would have access to that funding which would have quite a beneficial impact on the finances.

Question by Cllr. A. Shelton

In respect of tourist information, will the providers of tourist services within the District be formally advised of the new proposals as they come into force?

Answer by Cllr. N. Harley

Yes – that information will be communicated to all interested parties.

Question by Cllr. M. Gage

Is there anything that you would like to add on set question 2 regarding efficiency savings?

Answer by Cllr. N. Harley

We are carrying out a reorganisation within the whole economic development area, and there will be a number of savings that will be realised as a result of that process.

Question by Cllr. M. Gage

Is there anything that you would like to add on set question 3 about which services are



considered priorities and which are not?

Answer by Cllr. N. Harley

I do think that the support of business in these exceptional economic times has been the main priority.

In contrast, the place survey indicated that the museum service is much lower down on people's list of priorities, and the fact that the Council is losing money on this service has a double resonance.

At the top end of the list is the emphasis on helping business and at the other end of the scale is the museum service.

Question by Cllr. A. Shelton

What plans do you have to make greater use of the Area Office at Halstead for tourist information?

Answer by Cllr. N. Harley

Both Halstead and Witham will be getting grants of £3000 each (subject to Local Committee agreement) specifically to help assist with the promotion of tourism, and the District Promotions Officer will be working with them to see how this can be best used.

Also, there is a lot of encouragement being given to the promotion of bed and breakfast particularly in the north of the district.

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Cllr. Gage thanked Cllr. Harley for his contribution and for answering Members' questions.

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Cllrs. M. Lager and N. Harley left the meeting at this point.

52. WORK PROGRAMME ITEM – STUDY INTO WHETHER THERE IS ADEQUATE PROVISION OF PUBLIC TOILETS IN THE DISTRICT

The Scrutiny Manager presented a report setting out further information that the Committee had requested at its meeting on 22/7/09 in respect of:-

- \* benchmarking the provision of public toilets with our 'basket' of similar authorities and seeking examples of good practice;
- \* further details of the 'Community Toilet Scheme' (originally pioneered by the London Borough of Richmond);
- \* pay toilets.

Members were also advised that at the meeting of the Braintree Local Committee on 26/1/10 consideration was given to the outcome of a six month pilot to extend the opening hours of Braintree Bus Park Toilets. After a lengthy discussion, the Local Committee had decided that because of the increased vandalism during both the day and the night and the availability of other toilets in the vicinity, that the toilets should be closed.

**DECISION**

Following discussion and consideration of the Officer's report, it was agreed to **RECOMMEND** to Cabinet as follows:-

1. Although it is noted that there are no proposals to close the Council's existing public toilets as part of the 2010/11 budgetary savings, the Cabinet should take note of the responses received as a result of the consultation exercise that was undertaken at the start of this study, expressing concern at the loss of any of the Council's current public toilets;
2. If there is any perceived gap in public toilet provision in the future, the Cabinet should investigate (as one of the possible options) the feasibility of providing a "Community Toilet Scheme" in partnership with local businesses.

53. WORK PROGRAMME ITEM – STUDY INTO HOW CONTRIBUTIONS FROM SECTION 106 AGREEMENTS ARE MANAGED BY THE COUNCIL

The Committee received the Information Pack in connection with this study setting out the consultation responses received.

It was agreed that the Scrutiny Manager should make arrangements in liaison with the Chairman and Vice Chairman for the holding of a Scrutiny Hearing to be attended by appropriate officers, and that representatives from some of the Parish/Town Councils that had responded to the consultation should also be invited to attend to share their experiences.

The Scrutiny Manager drew the Committee's attention to the deadline of **19<sup>th</sup> February 2010** for Members to submit questions to be included in the Question Plan.

**Action Point:** *Scrutiny Manager to arrange Scrutiny Hearing.*

54. TASK AND FINISH GROUP – PUBLIC SERVICES PROVISION FOR OLDER PEOPLE

Cllr. Ramage gave a brief verbal update and advised members that an informal meeting of the Group had taken place in early December, and that he had subsequently met with the Supporting Officers (Joanne Albini, Head of Housing Services, Alison Weaver, Housing Policy and Performance Officer, Clare Lawrence, Health and well Being Development Officer) together with the Scrutiny Manager yesterday to discuss the Draft Project Initiation Document for this study. The first formal meeting of the Group would take place on Tuesday 9<sup>th</sup> February 2010 at 7.15pm in Committee Room 2 at Causeway House.

**DECISION**

That the verbal report be noted.

55. ESSEX COUNTY-WIDE SCRUTINY MEMBERS MEETING

One of the outcomes following the first Essex County-wide conference for Councillors involved in scrutiny in October 2008, was that consideration be given as to how Councillors might continue to meet to explore opportunities for greater collaboration. Cllr. Ramage the Vice Chairman attended the first of these meetings at County Hall on 9/12/09 on behalf of the Committee and gave a verbal update.

He informed the Committee that it had been a very useful and open meeting, and was particularly helpful in sharing experiences with other Members, and the problems that they encountered in undertaking overview and scrutiny.

Cllr. Ramage had raised the issue of scrutiny training for members which had met with a positive response, and it is likely that the County Council will take the initiative and hold a training event for new scrutiny members later this year at which all Essex districts/borough would be invited to send representatives.

It was apparent that in respect of the number of Officers supporting the overview and scrutiny function some authorities, particularly the larger ones, are better resourced than others.

Overall, the meeting had been very worthwhile and productive, and he felt that it was important that the Council be represented at further meetings that would be held in the future.

## **DECISION**

Following discussion, the Committee agreed as follows:-

(1) that Cllr. Ramage's verbal report be noted;

(2) that the issue concerning the need to ensure that the Overview and Scrutiny Committee is adequately resourced (given that only half of the Scrutiny Manager's post is allocated to overview and scrutiny) be raised by Cllr. Gage at the meeting of the Political Group Leaders with the Leader of the Council and the Chief Executive. Cllr. Gage to provide a formal report back to the Committee with the Leader's response.

**Action Point:** Cllr. Gage to report back.

### 56. FORWARD PLAN – 1<sup>ST</sup> FEBRUARY 2010 TO 31<sup>ST</sup> MAY 2010

Members received the four month Forward Plan for the above period.

## **DECISION**

That the contents of the Forward Plan be received and noted.

### 57. MAYLAND HOUSE, WITHAM

Cllr. Gage the Chairman advised the Committee that since the agenda had been published he had received requests from four members of the Committee for this item to be included, and he had asked the Scrutiny Manager to write to Members of the Committee indicating that the item would be considered under urgent business as follows:-

"To consider briefly the report that is to be considered by Cabinet at its meeting on 1/2/10 regarding Mayland House, Witham and to determine if any further action is required by the Committee including whether an additional meeting of the Committee should be held to consider this specific item".

Members had before them the Cabinet papers and accompanying appendices relating to Mayland House that were to be due to be considered by Cabinet on Monday night. Cabinet would then make a recommendation to full Council on 15/2/10. Members were advised that as the Council and not the Cabinet would make the final decision, the use of the Committee's 'call-in' powers was not applicable.

## **DECISION**

Following discussion, it was agreed that the matter be placed on the Agenda for the next meeting of the Committee on 10/3/10 for further consideration in the light of the debate and the decision at full Council, with a view to determining whether the Committee wished to carry out any post decision scrutiny in respect of the handling of the Mayland House issue.

### **58. BUDGET SCRUTINY SURVEY**

Cllr. Gage advised the Committee that, similar to the last budget scrutiny session, Members would receive a further survey form to complete in respect of tonight's session. Feedback from the surveys would be considered at a future meeting of the Committee so that members could gauge the success or otherwise of this year's budget scrutiny process, and amend/review the procedures as necessary for next year.

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The meeting closed at 10.43pm

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M. Gage  
Chairman