

CANNOCK CHASE COUNCIL
MINUTES OF THE MEETING OF THE
CUSTOMERS AND CORPORATE SCRUTINY COMMITTEE
HELD ON THURSDAY 13 OCTOBER, 2016 AT 4.00 P.M.
IN THE CIVIC CENTRE, BEECROFT ROAD, CANNOCK

PART 1

PRESENT:
Councillors

Dudson, Miss M.J. (Chairman)
Snape, D.J. (Vice-Chairman)

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| Freeman, Miss M.A. | Martin, Mrs. C.E. |
| Foley, D. | Pearson, A.R. |
| Grice, Mrs. D. | Smith, C.D. |
| Johnson, T.B. | Sutherland, M. |

Also in attendance:

- Councillor Mrs. M.A. Davis (Health and Wellbeing Portfolio Leader, Observer).
- Councillor J.T. Kraujalis (Corporate Improvement Portfolio Leader, Observer).

6. Apologies

Apologies for absence were submitted for Councillors G. Burnett, M.S. Buttery and M.R. Grocott.

7. Declarations of Interests of Members in Contracts and Other Matters and Restrictions on Voting by Members and Party Whip Declarations

No declarations of interests or party whip declarations were received.

8. Minutes

RESOLVED:

That the Minutes of the meeting held on 27 July, 2016 be approved as a correct record and signed.

9. Financial Recovery Plan Consultation

The Committee gave consideration to the related Cabinet report and associated documents (Item 4.1 – 4.44 of the Official Minutes of the Council).

The Policy and Performance Manager advised the Committee that this meeting was being held as part of the wider public consultation on the Financial Recovery

Plan (FRP). The public consultation commenced on 23 September and was due to end on 4 November. To date over 150 online responses had been received to the consultation survey and more than 600 paper copies of the survey had been distributed. The FRP page on the Council's website had been viewed over 700 times, and the accompanying video over 300 times. Arrangements had also been made through a market research company to conduct a telephone survey with a representative sample of 400 residents from across the district. Alongside all this, a number of press releases had been issued about the consultation as well as updates via the Council's social media channels. Four public meetings had also been arranged for weeks commencing 17 and 24 October, 2016.

A Member raised concerns that the consultation had been poorly publicised, rolled out too quickly and residents not given enough detail about why the specific savings options had been proposed. The Managing Director replied that the consultation had been publicised via the local press and Council's website for a number of weeks and the Leader of the Council had so far given five media interviews on the subject. All Members had received the relevant information as part of the 22 September Cabinet papers which were also publicly available on the Council's website. Compared to other public bodies the Council was doing a lot to ensure that residents and businesses were engaged with the consultation, but Members were more than welcome to put forward suggestions for additional ways engagement could take place.

Members then queried what format the public meetings would take, whether or not senior representatives of the Council would be in attendance and had plans been made to hold any further meetings than the four already scheduled. The Managing Director and Policy & Performance Manager replied that the meetings would start with a general introduction to the Council's financial situation and the FRP, followed by an open discussion on the savings options. Attendees would then be given the opportunity to complete a paper survey at the end of the meeting. The Managing Director, Head of Finance, two additional Heads of Service and at least one Cabinet member would be present at each meeting. In respect of holding further meetings, this would be determined once the first four meetings had been held.

A Member asked if it would be made clear at the public meetings that the FRP process was being undertaken because of external funding changes which had impacted negatively on the Council and not because of the Council's finances being mismanaged, which had been rumoured. The Managing Director replied that the external auditors had given the Council's financial management a clean bill of health, so it would definitely be made clear that the FRP was being put in place due to reductions in central government funding and the loss of business rates from the early closure of Rugeley Power Station.

Members sought clarification as to whether multiple survey responses by individuals could be prevented. The Policy & Performance Manager replied that would be difficult to achieve for paper surveys completed, but multiple online responses would be extracted and withdrawn from the final total once the consultation finished.

Members then raised questions and provided comments on the following savings options as detailed in the survey:

Use of Capital funds and earmarked reserves to save approximately £500,000

A Member queried if this would have a negative impact on the Council's working balances. The Head of Finance advised that this would not be the case as the Council was required to keep working balances at a minimum of 5.5% of gross expenditure. A risk analysis was undertaken each year to ensure that an appropriate level of working balances was retained.

Reduce operational costs of Parks & Open Spaces services – £15,000 saving; Deliver the staffed parks service in-house – £16,000 saving; and, Reduce the contingency budget in Parks & Open Spaces – £63,000 saving

A Member queried if the options to reduce operational costs and contingency budgets were linked to the proposal to bring the service in-house, and if so, what impact would that have on management of the district's parks. The Managing Director replied that they were linked, but each was presented as a standalone savings option. In terms of impact, this was addressed on pages 4.26-4.27 of the report.

The same Member then raised concern that not enough detail was provided about how an in-house contract would operate, although bringing the contract in-house was supported. The Managing Director replied that operational detail about the contract would only be produced by Officers if the option was agreed for inclusion in the draft budget for 2017/18.

Delete vacant Property Services Manager post and create Senior Officer post – £10,000 saving; Delete Senior Management post in Environmental Health – £87,000 saving; Delete Senior Management post in Financial Management – £31,000 saving; and, Delete Risk & Resilience Manager post in Governance – £58,000 saving

A Member queried if the above options would result in any Officers being made redundant, and if so, would any associated payments apply. The Managing Director replied that the figures listed were the savings that would be achieved after any exit payments had been made. In respect of redundancies, this scenario only applied to the Environmental Health and Finance posts and the current post holder for the Finance post could also be eligible for redeployment. The Property Services Manager post had been vacant for over 3 years, and the post holder for the Risk & Resilience post was due to retire at the end of the current financial year, so no exit payments would apply to either of these roles.

Another Member then queried what would be the total financial impact on the Council as a result of any redundancies made and what would be the best/worst case financial scenarios. The Head of Finance replied that the total financial impact was difficult to determine as in some departments more than one post was at risk, but it was expected that any redundancy monies would be paid out of funding set aside for such purposes. Figures for best and worst cases scenarios would be calculated and circulated to the Committee for reference.

Reduction in the Internal Audit provision – £55,000 saving; Stafford BC led Shared Services to deliver savings – £94,000 saving; Review call handling operation between Contact Centre and Social Alarms Service – £20,000 saving; Explore option of joint working between Street Cleansing and Parks & Open Spaces – TBC saving; and, Explore Development Control and Environmental Health as shared services – TBC saving

A Member queried if Officers were satisfied that all options for potential shared services had been researched. The Managing Director replied that this was correct for those areas which would not be constrained by being part of a shared services arrangement.

Another Member then queried when potential savings were likely to be known for those areas marked as 'TBC'. The Managing Director replied that in respect of Planning Policy/Development Control and Environmental Health, business cases were being developed, but any potential savings wouldn't become clear until the business cases were finalised and approved for discussion. With regards to Street Cleansing and Parks & Open Spaces, as part of the management restructure review these two departments were proposed to be brought under one Head of Service, at which point the working structures of each department would be reviewed to determine where savings could be achieved. The Head of Finance further replied that it was difficult to give specific savings figures as the Council did not have full control over what shared services arrangements may look like, but work had commenced today in order to have any proposals ready for implementation from 1 April, 2017.

Remove allowance paid to Elected Members for IT equipment – £10,000 saving

A Member queried that if this allowance was to be removed/reduced, would IT facilities within the Members' Group Rooms be improved instead, particularly in instances where Members may still wish to print off paper copies of report etc. The Managing Director replied that upgrading of IT equipment was not planned at present. With regards to printing, it was intended that the Council would seek to reduce/remove the requirement for document printing and move to paperless working where possible, but this was a long term aim.

The same Member then queried whether consideration had been given instead to the Council directly purchasing IT equipment for Members on a bulk basis. The Managing Director replied that this had not been considered, however the ICT department were available to help Members with any queries on the most suitable equipment to purchase.

A Motion was then proposed and seconded that Cabinet be asked to consider revising its proposal so that the Members' Computer Allowance be halved to £400 rather than being cut entirely. A vote was duly taken and the Motion was not carried.

No longer fund or install Christmas illuminations – £35,000 saving

A Member commented that this matter could cause problems in non-parished areas of the district as parished areas were likely to see the costs of providing Christmas illuminations being picked up the relevant parish/town councils instead. The Managing Director replied that assurances had been given to the parish/town councils that all areas of the district would be adversely affected by this proposal.

A Motion was then proposed and seconded that Cabinet ask the developers of the Mill Green Designer Outlet Village if they would be interested in providing funding/sponsorship towards provision of Christmas illuminations in Cannock Town Centre and Chadsmoor in future years. A vote was duly taken and the Motion was carried. The Managing Director advised the Committee that the developers had put forward significant sums of money for capital and Cannock town centre improvements as part of the final S106 agreement, so they may not be agreeable to this proposal. Furthermore, if any such proposal was agreed to, it was likely that any such funding would only be available from Christmas 2019 at the earliest.

Reduce the grant to the Citizens Advice Bureau (CAB) – £53,000 saving

A number of Members did not support this proposal as they considered that the CAB provided a vital support/advice service for residents which was used to a greater level than in neighbouring areas.

A Member queried what revised service the CAB would offer if the funding reduction was agreed. The Managing Director replied that this was still being discussed with CAB representatives. The Head of Finance further replied that the CAB had had to meet with Cabinet in recent years to explain their performance levels and Value for Money achieved through the grant funding given to them by the Council, particularly due to this Council paying more than double for the CAB's services than neighbouring councils.

A Member queried whether a formal procurement process was followed for funding the services provided by the CAB and had market testing of other such service providers been considered. The Managing Director replied that the a formal procurement process hadn't been undertaken in recent years, but could be an option going forward. Regular contract monitoring did however take place. Market testing for services could also be done, but at present it was unknown as to what alternative service providers existed.

A Member commented that the Council gave the CAB approximately £132,000 each year without asking what services were provided for that funding, so information needed to be provided by the CAB to justify that amount of money being given. Additionally, the Council needed to consider other ways of determining the funding amount, such as payment on a 'per case' basis. The Head of Finance replied that a proposal had been put forward by the CAB to increase opening hours and extend the range of services offered, which Cabinet at the time approved. Trying to fund on a 'per case' basis would be complex as the CAB's services were not only provided to residents of Cannock Chase district. The Managing Director further replied that he would ask the Head of Commissioning to circulate to the Committee the latest performance and workload data from the CAB.

Another Member then suggested that a new Service Level Agreement (SLA) was required going forward which clearly set out what funding the CAB would receive from the Council, and what services the CAB would provide to residents from that funding stream.

A Motion was then proposed and seconded that Cabinet be asked to review the level of proposed reductions to the CAB grant to determine whether a smaller reduction could be proposed instead. A vote was duly taken and the Motion was carried.

A further Motion was then proposed and seconded that Cabinet ask Officers to explore alternative options for provision of advice services to residents within the district, with a view to market testing the service and report back on their findings. A vote was duly taken and the Motion was carried.

Reduce the operating hours of the CCTV service – £12,000 saving; Continue to operate the CCTV service with a contribution from Staffordshire Police – £18,000 saving; and, Cease to operate the CCTV service – £107,000 saving

A Member queried if the above were being considered as three different savings options. The Managing Director replied that this was correct because if the option to cease operation of the service was chosen, then the options to reduce operating hours and to seek a financial contribution from the Police would be removed. If the option to reduce operating hours was chosen then the CCTV would still be active but physical staff time monitoring the CCTV would be less. In respect of the Police contribution proposal, the Police had been written in order to seek their views about it and a response was awaited.

Stop floral displays in Town Centres and on traffic islands, including hanging baskets – £12,000 saving

Members were not in agreement with this proposal, stating that the floral displays were an important enhancement to the visual scenery of the district.

A Motion was then proposed and seconded that Cabinet be asked to review the level of proposed reduction in floral displays funding to determine whether a smaller reduction could be proposed instead. A vote was duly taken and the Motion was carried.

Withdraw from the Green Flag application process – £1,000 saving

A Member queried whether the above proposal affected all parks within the district. The Managing Director replied that Hednesford Park was excluded from this proposal as achieving and maintaining Green Flag status was a condition of the grant monies provided by the Heritage Lottery Fund (HLF).

The same Member then queried if this condition was time limited. The Managing Director replied that the HLF agreement would have to be checked to find this out.

Another Member then commented it would be useful to know what extra work and costs were involved to bring each park up to Green Flag status. The Head of Finance replied that it was recognised additional maintenance costs etc. were accrued, and this information was being prepared for the Cabinet as they had also raised this question.

A Motion was then proposed and seconded that Cabinet review the stated savings target for withdrawal from the Green Flag application process to include actual costs involved with achieving/maintaining Green Flag status. A vote was duly taken and the Motion was carried.

Stop providing a Revenues and Benefits reception and enquiry service at Rugeley Area Office and Hednesford Library – £44,000 saving

A Member queried if the above proposal would result in the Area Office being closed down. The Managing Director replied that this was the case, but alternative options for service provision would be explored, along with any future use of the building itself.

A Motion was then proposed and seconded that Cabinet give consideration to relocating the Rugeley Area Office to an existing shared premise within the Town (such as the Market Hall) and provide a reduced level of service from that premise instead of withdrawing the service entirely. A vote was duly taken and the Motion was carried.

(Councillor Mrs. Davis left the meeting at this point and did not return.)

Reduction in management hours in Economic Development – £23,000 saving

A Member queried if the above proposal would result in any redundancies being made. The Managing Director replied that no redundancies would be made as this was a voluntary proposal from the current post holder to reduce their working hours.

Reduce the capacity to deal with claims for housing benefit and council tax reduction – £44,000 saving

A Member commented that this proposal could cause similar problems for residents as the proposed CAB funding reduction would. The Head of Finance replied that ideally this option would not have been put forward, however it needed to be considered nonetheless. The service would still exist, but turnaround times for processing claims would be increased. As the Revenues and Benefits team was a shared service with Stafford Borough Council each council could determine its own processes for assessing claims, but it was preferable that both councils adopt the same timescales. Accordingly, this proposal was going to be put to Stafford BC's Cabinet for consideration.

Increase fees for football pitch hire by 20% – £4,000 saving

Members were against this proposal as they felt it could deter existing and future users from using the facilities and would also negatively impact on the Council's attempts to improve the health and wellbeing of residents.

A Motion was proposed and seconded that Cabinet be asked to review the level of proposed percentage increase in hire fees for football pitches to determine whether a smaller increase could be proposed instead. A vote was duly taken and the Motion was carried.

Review existing contract for leisure and culture services to deliver savings – £150,000 saving

A Member queried what arrangements were in place with Wigan Leisure and Culture Trust (WLCT) to deliver the leisure and culture services. The Managing Director replied that potentially the contract with WLCT could run for a period of 20 years, however any negotiations on contract extensions would cover a range of issues including performance targets, Value for Money etc.

Increase parking charges – £50,000 saving

A Member queried if this option applied to all Council owned car parks within the district. The Managing Director replied that it applied only to those car parks for which a charge was already levied.

The same Member then queried if the Council had undertaken an asset review as part of the FRP process. The Managing Director replied that a number of asset management issues were being actively consulted on. A review was also underway of the Hawks Green Depot site but the detail was still being worked on, so it had not been included as a consultation option. The Rugeley Area Office building was also being looked at to potentially secure a capital receipt for the Council, however part of the building was currently occupied by Staffordshire County Council, so the lease arrangements would need to be reviewed before any possible sale could be considered.

RESOLVED:

That as part of the consultation responses on the Financial Recovery Plan, the following recommendations be submitted to Cabinet for consideration:

- (A) Ask the developers of the Mill Green Designer Outlet Village if they would be interested in providing funding/sponsorship towards provision of Christmas illuminations in Cannock Town Centre and Chadsmoor in future years.
- (B) Review the level of proposed reductions to the CAB grant to determine whether a smaller reduction could be proposed instead.
- (C) Ask Officers to explore alternative options for provision of advice services to residents within the district, with a view to market testing the service and report back on their findings.
- (D) Review the level of proposed reduction in floral displays funding to determine whether a smaller reduction could be proposed instead.
- (E) Review the stated savings target for withdrawal from the Green Flag application process to include actual costs involved with achieving/maintaining Green Flag status.
- (F) Give consideration to relocating the Rugeley Area Office to an existing shared premise within the Town (such as the Market Hall) and provide a reduced level of service from that premise instead of withdrawing the service entirely.
- (G) Review the level of proposed percentage increase in hire fees for football pitches to determine whether a smaller increase could be proposed instead.

Reasons for Recommendations

As Cannock and Chadsmoor were unparished areas, seeking funding from the Mill Green Designer Outlet Village developers would be an alternative means of providing Christmas lights for those areas which would not otherwise have access to funding from the District Council or a parish/town council.

A broad range of services could still be provided to residents by the CAB given the high number of cases the local CAB dealt with when compared to neighbouring areas.

The Council would be able to determine how much value for money it received from its SLA with the CAB compared with what other services may exist and whether alternative services may be better for residents.

Some floral displays could still be provided instead of being fully withdrawn as not having any displays would reduce the aesthetics of the areas concerned.

Revenues and Benefits services could still be provided locally instead of being withdrawn entirely, whilst a saving would still be achieved from any potential sale of the Area Office building.

A more accurate (and more likely, higher) savings figure for withdrawal from the Green Flag programme would be achieved by ensuring all relevant costs were identified.

Residents would be less likely deterred from using the football pitches if the fee increase was reduced, and the Council's objective of 'increasing access to physically active and healthy lifestyles' would still be achieved.

(Councillor Smith left the meeting at the end of this item and did not return.)

10. Quarter 1 Performance Report 2016-17 – Customers Priority Delivery Plan

Members noted the latest performance information (tem 5.1 – 5.10 of the Official Minutes of the Council).

The meeting closed at 6:15pm

CHAIRMAN