

Overview and Scrutiny Committee 4 February 2013

Present: Councillor C B Pickard (Chair)
Councillors J Allan, A Austin, B Burdis, S Day,
R Glindon, J Harrison, Marian Huscroft, D McGarr,
J McLaughlin, J O'Shea, D Sarin, N Redfearn
and J Stirling.

School Governor Representatives
Mrs J Little
Mrs M Ord

Other Members
Elected Mayor - Linda Arkley
Councillors D Lilly and J Wallace

OV71/02/13 Apologies

Apologies for absence was received from Councillor C Gambling, I Grayson and Rev Vine

OV72/02/13 Substitute Members

Pursuant to the Council's constitution the appointment of the following substitute Members was reported:-

Councillor J O'Shea for Councillor I Grayson
Councillor B Burdis for Cllr C Gambling

OV73/02/13 Declarations of Interest

There were no declarations of interest reported.

OV74/02/13 Minutes

Resolved that the minutes of the meetings held on 7 January 2013 be confirmed.

OV75/02/13 Use of Consultants

Carol Murphy, Human Resources Manager informed the Committee of the two methods to how the Council engages consultants. These were to deliver specific services based on identified need for expertise/skills and /or resource that the Council does not have the capacity or capability to deliver. Contracts of this kind were defined and set up through the Council's procurement policies.

Alternatively engagements were made for several individuals or an individual through a Recruitment Agency to cover posts on the Council's staffing structures. Where this is the case, the Council could enter into a contract for services where the individual is not and employee of the Council or become an employee of the Council under an employment contract of services for a designated period of time. Both types of assignment are for a specific or temporary nature.

The Committee was informed that employment requirements were of a short term nature to cover sickness absence/maternity/paternity or a specific time limited project or piece of work.

Where medium term arrangements were in place it was often linked to recruitment and retention issues or where the service or organisation was going through a major change and staffing requirements were going through a transition.

In terms of recruitment of very senior management appointments the Council has a Framework Agreement which is a procurement process with six suppliers on a call off basis.

Appended to the report was information requested by the Committee on the current position and the use of agency staff in 2012/13, consultant organisations used, the spend for 2012/13 and analysis on areas of expenditure.

Members requested that the information requested be extended to detail the number of posts employed to each post title. It also requested that information be provided to how many agency/consultants were employed to carry out statutory duties and for some historical comparisons be provided.

A Member requested that further information be provided detailing the consultant organisation and the corresponding area of expenditure.

Agreed that (1) the Use of Consultants report be noted; (2) a further information be circulated detailing the number of many agency/consultants employed to carry out statutory duties and further historical comparisons be provided; and (3) provide details of the consultant organisation and the corresponding areas of expenditure.

OV76/02/13 2013-2015 Financial Planning and Budget Process: Cabinet's Draft Budget and Council Tax Requirement Proposals

The Committee received the 2013-2015 Financial Planning and Budget Process: Cabinet's Draft Budget and Council Tax Requirement Proposals that had been approved at the Cabinet meeting of 28th January 2013. In attendance at the meeting were the elected Mayor and Cabinet Members for Finance and Children, Young People and Learning.

The Senior Manager Corporate Finance outlined the key areas for consideration with the report and associated papers.

The proposals gave the financial picture for years 2013-15 and considered the following:

- (a) The messages coming out of the reported financial picture for the current year 2012/13;
- (b) Inflation;
- (c) Existing committed plans
- (d) Transfer of services in relation to Public Health;
- (e) Commercial activities;
- (f) Reserves and Contingencies proposals;
- (g) Income and Grants; and
- (h) The Change, Efficiency and Improvement Programme.

With regard to the Relative Resources Amount for 2013/14 within the North Tyneside Formula Grant Allocation 2012/14, it was asked to what assumptions had been taken to arrive at the figure £16.250m. Cabinet Member for Finance gave an assurance that a written response would be provided.

An explanation of the Start Up Funding Assessment (SUFA) in the 2013/14 Provisional Local Government Finance settlement in comparison with revenue Support Grant was provided.

The Government had calculated the estimate for each authority to what level of SUFA would have been for 2012/13 if the system had been in place. The SUFA for North Tyneside Council for 2013/14 was set £105.622m, which reduces by 8.9% to £96.216m in 2014/15.

Information to the movement of North Tyneside Council of Formula Grants as a result of the 2013-15 Provisional Local Government Finance Settlement was also highlighted.

The Committee had been provided with extensive further information on the Financial Plan Business Cases following a request from its Chair. It was emphasised that the business cases held sensitive information and it was agreed to pass the following resolution to exclude the press and public.

RESOLVED that under Section 100A(4) of the Local Government Act 1972 (as amended) and having applied a public interest test as defined in Part Two of Schedule 12A of the Act the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part One of Schedule 12A of the Act.

The Committee considered the Business Cases, where questions and comments were made to the following:

Existing Plans

- **Existing Plans 4, 5 and 6 - Capital Plan revenue cost of borrowing - existing plan and equal pay.**
Members asked for information to be provided that detailed the plans in place for payment of equal pay in 2014/15.
- **Existing Plans 18 - Waste Management.**
Members asked for information relating to savings made from landfill charges. The Chief Executive indicated that a Cabinet report had been received that provided the required information and that it would be provided to the Members.

Reserves and Contingences

- **Reserves**
A Member raised the concern that the risk rating for savings in reserves showed an Amber rating.

The Chief Executive reassured the Member and informed the Member that the risk report would be provided for their information.

Income and Grants

- **Income grants T4 and 2, Grant Changes – Early Intervention Grant**
Members asked for further clarification to the changes to the Early Intervention Grant and the perceived effects of the changes. The Head of Commissioning and Fair Access stated that he would provide a briefing paper on the Early Intervention Grant.

Capital

- **Community Services & CEO**
With regards to the New home Bonus it was proposal that Cabinet considers the New Homes Bonus be used only for New Homes and not to tackle issues such as pluvial flooding etc.
- **River Tyne Energy and Innovation Centre**
A Member stated that there was facilities for incubator units already available in borough and questioned the necessity to create further units. He stated that further work to manage the units already in place would be more beneficial.
- **Area Forum Road and Pavement Recovery**
Members questioned the borrowing needed to continue funding on an annual basis. The Chief Executive informed the Committee that monitoring had been carried out through the Finance Sub Committee and proposed that briefing be provided to political groups (group leaders) on changes.

Theme A

- **A1 - Catering Services**

Members questioned the effect of the withdrawal of the provision of breakfasts to children in schools. The Head of Commissioning and Fair Access informed Members that some schools have continued to provide breakfasts from their own funding arrangements and would provide information to which schools.

A Member requested that information be provided to the meals on wheels increase.

Members asked for further information to the raising of Childcare Costs. The Head of Commissioning and Fair Access stated this would be provided and that estimates for first term Sept 2013 would also be provided.

- **A17 - adoption allowances**
Members requested further information to the level of allowance following the review of adoption allowances. It was asked to what level it would be reduced and the number of adopters affected.

Other areas of discussion included:

Existing Plans

Grant Changes – Weekly Collection Support

Commercial Activity

Transport

Street-lighting Energy

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Kier Management Charge
Whitley Bay Customer First Centre
Accommodation Charges

Income and Grants

Council Tax Freeze Grant
Local Authority central Spend Equivalent Grant adjustment

Capital

Swan Hunters redevelopment
A1058 Coast Road Improvements to junctions
Surface Water management Improvements (Flooding)
Crematoria – replacement Cremators

Theme A

A9 - Young Mayors Budget
A12 - School Improvement
A16 – review of non – school buildings education estate usage to look at developing an integrated health and wellbeing offer for children and families.
A19 + A31 – re-designing Housing Related support Services for Vulnerable People
A21 – General fund – Maximum Care Payment
A22 – Implementation Plan Adult Social Care Repair Fund
A24 – Reviewing charging arrangements for Extra Care Housing

At this point the Chair informed Committee that the duration of the meeting was near its end. He requested that the business cases be provided in a non confidential form to all Members of the Council for its meeting 7th February 2013 to allow for further discussion.

The Chief Executive indicated that this would be arranged, however, he advised the Committee that some may need to be held as exempt cases as they may contain information of a confidential nature and he would take legal advice.

Members raised their concerns at the Overview and Scrutiny Committee's ability to hold Cabinet to account. They expressed their disappointment that the Elected Mayor and Cabinet Members had not stayed for the duration of the meeting.

The Chair reminded the Committee that Full Council (at its meeting of the 24 January 2013) had decided to reconvene its meeting to the 30th January and consequently the business of the Overview and Scrutiny Committee arranged on that date had been rearranged to the 4th February and that the Elected Mayor and Cabinet were given short notice to attend.

Members acknowledged that the Elected Mayor and Cabinet were given short notice, however, it had expected the Elected Mayor or a Cabinet Member to be in attendance for the duration of the meeting to answer any questions.

Agreed that (1) 2013-2015 Financial Planning and Budget Process: Cabinet's Draft Budget and Council Tax Requirement Proposals be noted;
(2) a written response be provided detailing the rationale taken to arrive at the Relative Resources Amount for 2013/14;
(3) information be provided detailing the plans in place for payment of equal pay in 2014/15;
(4) the Cabinet report detailing savings in landfill charges be circulated to Members;

- (5) the risk report in relation to Reserves be provided to Members of the Committee for their information;
- (6) Members of the Committee receive a briefing paper on the Early Intervention Grant from the Head of Commissioning and Fair Access;
- (7) Cabinet considers the New Homes Bonus be used only for New Homes and not to tackle issues such as pluvial flooding etc;
- (8) a briefing be provided to political groups (via group leaders) on changes to Area Forum Road and Pavement Recovery;
- (9) details of schools providing breakfasts from their own funding arrangements be circulated to Members;
- (10) information be provided to the meals on wheels increase;
- (11) further information to the raising of Childcare Costs be provided; and
- (12) further information to the level of allowance following the review of adoption allowances be provided.