

OVERVIEW AND PERFORMANCE SCRUTINY FORUM

Tuesday, 28th November, 2017

Present:-

Councillor P Innes and Sarvent (Chair)

Councillors	Borrell	Councillors	Dyke
	Callan		Flood
	Caulfield		Perkins
	Derbyshire		Falconer ++++
	Dyke		
	P Gilby +++++		

Rachel Appleyard, Senior Democratic and Scrutiny Officer
 Kevin Hanlon, Director of Finance and Resources ++
 Donna Reddish, Assistant Director – Policy and Communications +
 Rachel O’Neil, Assistant Director – Customers, Commissioning and Change +++

+ Attended for Minute No. 29
 ++ Attended for Minute No. 30
 +++ Attended for Minute No. 31
 ++++ Attended for Minute No. 29 and 30
 +++++ Attended for Minute No. 29, 30 and 31

27 DECLARATIONS OF MEMBERS' AND OFFICERS INTERESTS RELATING TO ITEMS ON THE AGENDA

No declarations of interest were received.

28 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors J Barr, L Collins and V Diouf.

29 LEADER AND DEPUTY LEADER - COUNCIL PLAN AND CORPORATE PERFORMANCE PROGRESS UPDATE

The Leader, Deputy Leader and Assistant Director – Policy and Communications attended to provide an update on the progress made

towards achieving the council plan activities and address the activities which were still RAG rated as red.

At the half year stage, 74% of the key deliverables identified for priority delivery during 2017/18 were either completed or on target for completion by the end of the year. However there were some significant variances between different priority areas. Within the vibrant economy priority, 100% of the targets had been achieved however this reduced to 67% for the quality of life targets and 56% for value for money targets. The Assistant Director was hopeful that the targets in the value for money priority would be turned around by the end of the year however she noted that there were ongoing challenges in the quality of life targets which were more difficult to solve including the vacancy in the post of Assistant Director – Health and Wellbeing; recruitment for this position was underway but it was unlikely to be filled by the end of the year.

Members noted that the activities rated as red were predominantly impacting the poorest and most vulnerable members of the community and had concerns that, together with the cuts to funding from central government, the equality gap would continue to increase. The Assistant Director advised that, though the Council was providing extra support to residents affected by the introduction of Universal Credit (UC), more investment was needed to improve other areas. The Leader added that this was a major concern and the actions of central government and Derbyshire County Council (DCC) would have a severe impact on Chesterfield Borough Council (CBC) and the ability to deliver services to local people. She added that there had been a re-organisation of revenues and benefits staff to better support people affected by UC and a computer terminal had been installed in the Customer Services Centre (CSC) to allow residents to apply online.

The Leader advised that a review of voluntary sector funding had been delayed by DCC and this was needed to understand which voluntary organisations CBC should give funding to. Members noted that though social mobility statistics had improved for early years children, statistics for children aged 8 and above and adults between 21 and 25 were worsening and voluntary organisations were needed to help deliver programmes otherwise the support would not be there. The Assistant Director advised that the service level agreements with voluntary organisations were tied down to the percentage of Chesterfield residents they worked with however this percentage needed to be right to make sure CBC's money is going to its residents.

Members noted that some organisations had closed offices in the surrounding areas meaning that increasing amounts of people outside the borough were coming to the Chesterfield office for support, however Chesterfield was still putting in a higher contribution than the surrounding areas. The Leader advised that the Derbyshire Law Centre used to provide a report to Cabinet and were questioned on the level of people in Chesterfield that were being supported but advice agencies are no longer invited to meetings. Members felt it would be useful to start inviting voluntary organisations to scrutiny meetings to inform about this issue.

The Chair thanked the Leader, Deputy Leader and Assistant Director for providing the update and answering their questions.

RESOLVED –

1. That an update be brought to the Overview and Performance Scrutiny Forum on 8 May, 2018.
2. That consideration be given to inviting representatives of voluntary organisations to future scrutiny meetings and that the Scrutiny Chairs and Democratic and Scrutiny Officers agree the schedule for visits.

30 DEPUTY LEADER - BUDGET MONITORING AND MEDIUM TERM FINANCIAL FORECAST

The Deputy Leader and Director of Finance and Resources attended to provide an overview of the budget over the first half of 2017/18 and updated Members on the budget forecast for the end of 2017/18 and predictions for 2019/20.

The Director advised that there were 4 months of the financial year remaining however the current forecast for the end of 2017/18 was a surplus of £443k. The figure could change slightly as the NNDR1 returns had not yet been done and Council Tax would not be set until February 2018 however it was expected that this would see an increase of £5.

Future pressures were being addressed including:

- end of 1% pay freeze next year, trade unions currently negotiating pay increase and 2% had been built into the budget;

- big increases on energy bills due to suppliers increasing the price, having conversations with Nottingham Energies and Schneider over re-negotiating contracts;
- markets income was declining, work was being undertaken at the venues to maximise their income generation;
- spend needed on the old Queen's Park Sports Centre site and Beetwell Street MSCP;
- declining income from Vicar Lane, reduced rents being charged to encourage shops;
- the 1% reduction a year in housing rents ends in 2 years and there may be an option to increase rents after then.

CBC would remain in the Derbyshire Business Rates pool which brought in £216k more than budgeted however forecasting future income was unpredictable and there may be appeals coming up due to business rate increases which will affect future years' budgets. The Derbyshire pool had put in a bid to take part in a pilot to receive 100% of business rates, if the bid is successful the pool would get an uplift of £21m resulting in an extra £900k for CBC.

Members asked if setting up a company to build housing was being considered. The Director replied that the Executive Director, Michael Rich, had recently given a presentation to the Corporate Issues Group regarding this. CBC's land assets were being looked at as other councils were using land to build affordable housing for rent or sale in response to a big push from central government to increase the housing supply.

The Director advised that all the savings that had currently been identified were non-pay related; however, though the increase in income from business rates had improved the deficits for future years, there was still a deficit of £828k predicted for 2019/20 which increases further in 2021/22. The Deputy Leader added that the subsidies to the sports centres had been reduced and they were now producing income and making an impact on the health and wellbeing targets. In addition, a more commercial approach was being taken with the venues and she believed that if there was a continued commitment throughout the Council to become more commercial, this would improve the chances of addressing the deficits in future years.

The Director advised that the Housing Revenue Account was in a good position and the balance was predicted to be £19m at the end of the year. Forecasts for the next 30 years show the balance remaining consistently

above £6m with all debt being repaid. However, in 3 years' time another stock condition survey would be undertaken which may affect the balance.

The Chair thanked the Deputy Leader and the Director of Finance and Resources for providing the update and answering their questions.

RESOLVED –

That an update on the Budget Outturn for 2017/18 be brought to the Overview and Performance Scrutiny Forum in June, 2018.

31 CABINET MEMBER FOR ECONOMIC GROWTH AND CABINET MEMBER FOR BUSINESS TRANSFORMATION - UPDATE ON THE PPP CONTRACTUAL REVIEW AND DIGITAL STRATEGY

The Cabinet Member for Economic Growth and the Assistant Director – Customers, Commissioning and Change attended to provide a progress update on the development of a Digital Strategy and the review of the PPP contract.

Digital Strategy

The Assistant Director informed Members that the Digital Strategy had 3 aims:

- to enable Chesterfield to be a digital borough by providing council services digitally;
- to increase digital skills in Chesterfield;
- to reduce digital exclusion in Chesterfield.

Outline business cases were being developed for a number of projects that would enable the delivery of the 3 aims however the review of the PPP contract needed to be completed in order to understand the cost implications of delivering the Digital Strategy. The strategy had not yet been received by Cabinet therefore the proposals within the strategy were still subject to further investigations and formal approval.

The Cabinet Member advised that part of the strategy would see the CSC transformed into a “one-stop shop” where each member of staff could deal with all enquiries. This would be supported by an improved IT system that enabled all information to be in one place and easily accessible. Further improvements to Council IT systems were also discussed

including a Webchat pop-up on the website so customers could speak to someone directly.

To address digital exclusion, particularly following the introduction of UC where all applications must be completed online, staff in the CSC had been trained up to provide digital support to customers to enable them to use computers and a computer had been made available for use by the public in the CSC. In addition, staff within Arvato were undertaking digital apprenticeships to enhance their knowledge and provide better services to customers. It was hoped that the roll out of UC would be a catalyst to getting more customers familiar with transacting online.

The Council website had been reviewed and moved from a 1-2 star rating to a 4 star rating. However there were still areas on the website that needed improvements and the website satisfaction surveys highlighted that 24% of users were unhappy with their online experience.

Timescales for implementing the Digital Strategy were being worked out and it was anticipated that it would be delivered in parts depending on the investment needed. The Assistant Director and Cabinet Member advised that they would report back to scrutiny when they had a clearer forecast of the costings associated with delivering the strategy.

Members welcomed the suggestion of creating a “one-stop” shop with all services to customers being available under one roof. The Chair also noted that the Customer, Community and Organisational Scrutiny Committee received an update in November on the council’s preparations for the introduction of Universal Credit which contained information that would be useful to all Members.

Members asked whether there would be changes to the resourcing of customer services and the Assistant Director replied that the demand for customer advisors would reduce enabling them to focus on the most vulnerable customers and spend more time with them. Members also raised concerns about their experiences at other authorities where generic customer service posts had not worked largely due to an inadequate structure being in place. The Assistant Director advised that generic posts relied on a core infrastructure including a joined up IT system which would be included in the strategy.

PPP Contractual Review

The Assistant Director provided a summary of the progress on the review of the PPP contract. All the service reviews had been completed and the different options for the future of the contract had been reviewed. The possibility of bringing some services back in house had been considered against the affordability and level of workforce development required. The Assistant Director and Cabinet Member agreed to come back to scrutiny in January when the position with Arvato was clearer.

The Chair thanked the Cabinet Member and the Assistant Director for providing the updates and responding to their questions.

RESOLVED –

1. That an update on the PPP Contractual Review be brought to the Overview and Performance Scrutiny Forum on 16 January, 2018.
2. That an update on the Digital Strategy be brought to the Overview and Performance Scrutiny Forum on 8 May, 2018.

32 SCRUTINY PROJECT GROUP PROGRESS UPDATES

Cllr Borrell, Lead Member for the Scrutiny Project Group (SPG) on the Town Centre, provided an update on the group's progress. Consultations had been held with businesses and members of the public; the outcomes had been discussed in the group and a document was being prepared with details of proposals which would be circulated to group members and developed at their next meeting in January.

Cllr Flood, Lead Member for the SPG on HS2, advised that the group had identified areas that would benefit from a separate sub-group to carry out review work. The most key topic was skills and Cllr Flood requested approval to establish a Skills Sub-Group. An interim report was being written to outline the progress made; this would be brought to the Overview and Performance Scrutiny Forum in January, 2018.

RESOLVED –

1. That the updates be noted.
2. That a Skills Sub-Group be established to carry out task and finish work on the skills in relation to HS2.

33 FORWARD PLAN

The Forward Plan was considered by the Forum.

RESOLVED –

That the Forward Plan be noted.

34 WORK PROGRAMME FOR THE OVERVIEW AND PERFORMANCE SCRUTINY FORUM

The Work Programme for the Forum was considered and the Chair noted that the Skills Sub-Group would be added to the SPGs.

RESOLVED –

1. That the Work Programme be approved.
2. That the Skills Sub-Group be added to the Work Programme as a SPG.

35 SCRUTINY MONITORING

The Scrutiny Monitoring Schedule was considered. Cllr Caulfield provided an update on the “Friends of” SPG’s report which was received by Cabinet in November. Cabinet had concerns with the resources required and agreed to set up an officer working group to investigate the implications. Cllr Derbyshire, Lead Member for the SPG on the Play Strategy, added that the “Friends of” SPG was linked to their review and ward by ward meetings were taking place on the outcomes of the play area site assessments.

RESOLVED –

That the Monitoring Schedule be approved.

36 JOINT OVERVIEW AND SCRUTINY

The Chairs had been to a meeting of the Sheffield City Region Scrutiny Board and reported that a discussion on transport took place and a Transport Strategy would be out for consultation soon.

RESOLVED –

That the update be noted.

37 OVERVIEW AND SCRUTINY DEVELOPMENTS

The Chairs provided an update from the East Midlands Scrutiny Network where the Chairs and the Senior Democratic and Scrutiny Officer had shown the presentation on scrutiny at CBC that was delivered to the Service Managers Seminar earlier in the year. Following this, the network split into groups and workshopped ideas for promoting scrutiny internally and externally.

RESOLVED –

That the update be noted.

38 MINUTES

The Minutes of the Overview and Performance Scrutiny Forum held on 26 September, 2017 were presented.

RESOLVED –

1. That the minutes be approved as a correct record and signed by the Chair.
2. That scrutiny requests to see RAG reports on projects where necessary.