
SCRUTINY COMMITTEE

MINUTES of the Meeting held in the Council Chamber, Swale House, East Street, Sittingbourne, Kent, ME10 3HT on Thursday, 17 March 2016 from 7.00 pm - 8.49 pm.

PRESENT: Councillors Mike Baldock, Andy Booth (Chairman), Lloyd Bowen (Vice-Chairman), Derek Conway, Mick Galvin, Mike Henderson, Alan Horton (substitute for Councillor Mike Dendor), James Hunt (substitute for Councillor Prescott), Ken Ingleton, Peter Marchington and Ben Stokes.

OFFICERS PRESENT: Philippa Davies, Abdool Kara, Bob Pullen and Nick Vickers.

APOLOGIES: Councillors Mike Dendor and Prescott.

608 FIRE EVACUATION PROCEDURE

The Chairman drew attention to the emergency evacuation procedure.

609 MINUTES

The Minutes of the Meeting held on 10 February 2016 (Minute Nos. 481 – 491) were taken as read, approved and signed by the Chairman as a correct record, subject to an amendment on page 515, third paragraph, to read: “A Member suggested alternative funding from businesses for schemes such as **those proposed at Herne Bay seafront.**”

610 DECLARATIONS OF INTEREST

No interests were declared.

There was some discussion as to whether the recently appointed Deputy Cabinet Members could sit on the Scrutiny Committee, with the potential for conflict of interests. The Chairman reminded Members of their responsibility to declare an interest in any case, and the Chief Executive advised that if there was still an overlap of Scrutiny Committee Members/Deputy Cabinet Members after Annual Council in May, any conflicts of interest could be looked into further.

611 FINANCIAL MANAGEMENT REPORT

The Chairman welcomed the Cabinet Member for Finance and the Head of Finance to the meeting.

The report set out the revenue and capital projected outturn for 2015/16 as at the end of December 2015. The Cabinet Member for Finance stated that he was pleased with the current situation, and added that the Council was still looking to make savings.

The Chairman invited the Committee to focus on prime items and in particular items, that had a variance of +/- £10,000. He drew Members' attention to the recommendations in the report, and in response to a question, confirmed that the recommendations were for noting.

Members made comments and asked questions, as minuted below.

Page 5

Local Engagement Forum – the Cabinet Member for Finance confirmed that the £30,000 underspend had changed since the report was written, and was now in the region of £3,000.

The Head of Finance reported that the figure in relation to Learning and Skills took into account that one apprentice has left the Council. He confirmed that apprentices were paid the national apprentice rate.

The Head of Finance agreed to provide further information on:

- (1) the Sports Development item, in particular how funding for the SD-KCC Satellite Club could be applied for;
- (2) the CCTV item and what this involved in terms of additional monitoring costs;
- (3) the £39,000 underspend on salaries due to vacant posts; and
- (4) the length of the SERCO and Biffa contracts.

Page 6

The Head of Finance agreed to check what the charge was for Section 106 monitoring.

Page 7

The Head of Finance confirmed that the £97,000 underspend on Leisure and Sports was because of savings made on the SERCO contract.

Refuse Collection/Street Cleansing – the Head of Finance drew Members' attention to the table which included the reasons for the underspend of £58,000. The Chief Executive further explained that one-off payments were made available for deep-cleaning of specific areas.

A Member raised concern with the Leisure and Sports underspend in relation to non-contract grounds maintenance. He explained there were areas of land where this underspend could be implemented.

The Head of Finance explained that the Council was in a good position and there was no reason why a particular project should not be implemented if it was considered a priority. He suggested the Member contact the Cabinet Member or Head of Service for more information. The Chief Executive advised that it would need to be checked to see if that particular piece of land belonged to the Council, and whether it was currently covered by the management contract. There was also a difference in approach between revenue and capital expenditure.

The Head of Finance explained that with regard to beach huts, as a number had been sold more income was generated from sales of the huts, than from rental, which had resulted in more capital, rather than revenue funding. The Chief Executive reported that a further 20 huts were being installed this year, which would generate more income.

The Head of Finance agreed to provide further information on the extra costs at Barton's Point referred to under Leisure and Sports.

Page 8

A Member queried the overspend under MKIP charges for HR Services and considered this was balanced out by the underspend. The Head of Finance explained that this situation arose as we had budgeted for Tunbridge Wells Borough Council joining the shared service but they did not in the end and the projected savings were not achieved. The proposed saving had been taken out of the budget for 2016/17 so it would balance out next year.

Page 9

A Member considered the Play Areas Commuted Sums item with an underspend of £47,000 could have been spent on play areas in the Borough to raise public perception. The Head of Finance agreed to provide further information.

The Head of Finance confirmed that the additional monies for Legal MKLS was £20,743, as noted on page 16 of the report.

In response to a question, the Head of Finance explained that the Corporate Provision for Bad Debts reflected an improved position, but the situation was volatile.

Page 11

A Member noted the acute vulnerability of the figures at the top of Table 7.

In response to a question on the appeals noted in paragraph 3.14, the Head of Finance advised that a monthly monitoring report was carried out. The Chief Executive explained that the national appeals system was inefficient and created uncertainty, but hoped this would be resolved within the next few years.

Page 13

A Member asked how long the projects in Table 10 would be pending for? The Head of Finance advised that trusts were being sought and there were certain conditions that needed to be met. The Chief Executive clarified that the decisions to allocate the sums stood until such a time when the decisions were formally revisited.

The Chairman congratulated the Finance Team on reducing the lists in the Payment of Creditors tables.

Page 16

The Cabinet Member for Finance explained that the Performance Fund for Cabinet Members' ICT Equipment was for portable IT tablets, and this was being delayed until the new Cabinet was formed in May 2016.

A Member questioned whether £1million underspend indicated good management of the Council's budget, against whether the level of service in some areas should be increased. In response, the Chief Executive reported that the next monitoring report would provide a breakdown on the headline reasons for underspend, for example, windfall incomes accounted for much of the apparent underspend. The Member suggested that funds could be vired to another area that had a shortfall. The Chief Executive explained that this could only be done within each Division under manager delegation, and not across services. The Head of Finance stated that in the future, the outturn report would go to the Scrutiny Committee before it went to Cabinet, so Members would get the opportunity to scrutinise the roll-over bids before they went to Cabinet for approval. The Member recommended that where there was an underspend there should be the capability of, in the future, doing something to prevent the Council from not delivering services somewhere else.

The Head of Finance explained that the report was the 2015/16 budget and he advised that the financial regulations of the Council set out the virement rules, and these could not be changed by the Scrutiny Committee. These rules gave the facility to move the budget around. The Chief Executive suggested that the issue was not related to the underspend, as sums could be identified to enhance service delivery where Members deemed that to be a priority.

Some Members spoke on the flexibility of the budget throughout the year, and that underspend was not always strictly underspend, e.g. windfalls.

The Head of Finance agreed to forward the outstanding issues raised above to the Scrutiny Committee by 29 March 2016.

Resolved:

- (1) That the projected revenue underspend on services of £943,300 for 2015/16 be noted.**
- (2) That the projected capital underspend for 2015/16 of £650,000 to end of December 2015 be noted.**

612 THE WAY FORWARD ON REVIEWS THE COMMITTEE HAVE SO FAR IDENTIFIED

The Policy and Performance Officer introduced the report which considered how the Scrutiny Committee could progress the three main reviews it identified at the start of the municipal year: development management; leisure and tourism; and housing services.

The Chairman asked Members which review they would like to be involved with, and explained that other non-Cabinet Members not on the Committee could also take part in the reviews.

The following was agreed:

Development Management Task and Finish Group

Councillor Andy Booth – Lead Member
Councillors Mike Baldock, Lloyd Bowen, Derek Conway; Mike Henderson, Ken Ingleton and Peter Marchington.

Leisure and Tourism Task and Finish Group

Councillor Mike Henderson – Lead Member
Councillors Mike Baldock, Ken Ingleton and Ben Stokes

Housing Services Task and Finish Group

Councillor Mike Dendor – Lead Member
Councillors Derek Conway, Mick Galvin and Peter Marchington

The Policy and Performance Officer explained that any review that became more involved could be broken up into further separate reviews to concentrate on those issues at a later stage. He stated that his role would be to support the Task and Finish Groups in terms of administration, designing pro-forma for reporting progress, setting up meetings, issuing surveys and helping to compile review reports etc.

The Chief Executive welcomed the plans that were being made and suggested the following: that the review deadlines be set to complete in 2016/17; that in the event that the scope of a review grows and becomes unwieldy, the review be divided into 'bite-size' pieces; have a plan to help keep control of the reviews; have dedicated teams with Lead and Vice-Lead Members; and the Council to ensure that each relevant Service area had a dedicated officer to give support to the Policy and Performance Officer.

The Chairman suggested that the Lead Members for each review report back through the Chairman on a monthly basis, and this be reported back to the next Scrutiny Committee meeting on 9 June 2016.

Resolved:

- (1) That the review activity undertaken this municipal year be noted.**
- (2) That a Task and Finish Group be established to review Development Management and make considerable progress on this in the next few months.**
- (3) That Task and Finish Groups be established for the Leisure and Tourism, and Housing Services reviews.**

613 REVIEWS AT FOLLOW-UP STAGE AND LOG OF RECOMMENDATIONS

The Policy and Performance Officer introduced the report.

Resolved:

(1) That the report be noted.

614 OTHER REVIEW PROGRESS REPORTS

There were no other Review Progress Reports to consider.

615 CABINET FORWARD PLAN

In response to a question, the Policy and Performance Officer explained that Swale's Playing Pitch Strategy had been considered by the Policy Development and Review Committee.

Discussion ensued on the CCTV Effectiveness Review item and whether an additional meeting should be called to look at the Review before it went to Cabinet on 25 May 2016. A Member stated that the Cabinet report would include responses to the consultation, and this is what should be scrutinised, after the Cabinet meeting.

The Chief Executive advised that the Committee could scrutinise pre-decision, but that this would weaken their position on call-in.

Councillor Mike Baldock moved the following motion: "That the Scrutiny Committee meets in the week before 25 May 2016 to look at the recommendations from Cabinet on the CCTV Effectiveness Review". The motion was not seconded.

Resolved:

(1) That the Forward Plan be noted.

616 RECORD OF THANKS

The Chairman thanked Members for their input on the Committee over the past year. He spoke on the three upcoming reviews, and that they effected every Member of the Council. He stated that this was a good opportunity to make a worthwhile contribution to the Borough.

Chairman

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Sittingbourne, Kent, ME10 3HT or telephone the Customer Service Centre 01795 417850.

All Minutes are draft until agreed at the next meeting of the Committee/Panel