

BOROUGH COUNCIL OF KING'S LYNN & WEST NORFOLK

CABINET SCRUTINY COMMITTEE

**Minutes of a Meeting of the Cabinet Scrutiny Committee
held on Wednesday 15 April 2009 at 6.00pm
in the Committee Suite, King's Court, Chapel Street, King's Lynn.**

PRESENT:

Councillors D Collis (Chairman),
Mrs A Clery-Fox (substitute for P Burall), I Mack (Vice Chairman), R Payn,
D Pope, C Sampson, J M Tilbury and A Tyler

Other Members Present:

Councillor B Long, Deputy Leader and Portfolio Holder for Environment
Councillor J Law, Portfolio Holder for Regeneration

Apologies for absence were received from Councillors P Burall, N Daubney and Mrs K Mellish

CSC69: **MINUTES**

The minutes of the meeting held on Tuesday 18 February 2009 were agreed as a correct record and signed by the Chairman.

CSC70: **URGENT BUSINESS**

There was none.

CSC71: **DECLARATIONS OF INTEREST**

Councillor Payn declared a personal interest in agenda item 9(b), as a trustee of The Green Quay.

CSC72: **MEMBERS PRESENT PURSUANT TO STANDING ORDER 34**

There was none.

CSC73: **CHAIRMAN'S CORRESPONDENCE**

The Chairman reported that in response to an invitation from Breckland Council, he had attended a training session on scrutiny of the budget and finance, which he had found most enlightening and interesting.

CSC74: **RESPONSE TO PREVIOUS COMMITTEE RECOMMENDATIONS**

The Committee noted the response made by Council at its meeting on 26 February 2009 to the Panel's recommendations made on 18 February 2009 on the Waterfront Regeneration Project Appraisal.

CSC75: **MATTERS CALLED-IN PURSUANT TO STANDING ORDER 12**

There was none.

CSC76: **PAY AWARD 2009/2010 – STAFF CAR PARKING**

The Chairman made reference to the additional information which had been circulated prior to the meeting and invited the Executive Director, Revenues and Customer Services to present the information to the Committee.

The Executive Director, Revenues and Customer Services advised that he had been tasked with leading a working group to undertake a review of staff car parking. The Group, which involved representatives from each service area, Unison and a Member, carried out a review of staff work locations, travelling distance to work, current staff parking requirements and other Councils' car parking policies. The review had identified that about 50% of Council staff did not take up their free staff parking and that most other Councils in Norfolk provide free car parking for their staff.

It was reported that the Group had concluded that with the current uncertainty surrounding Local Government Review and with the Council's desire to maintain staff morale through this difficult period, now was not the time to introduce charges for staff car parking. However, the Group was supportive of the actions to encourage staff to support the Green Travel Plan initiatives.

In response to a question about whether financial implications were taken into account by the Group, the Executive Director, Revenues and Customer Services advised that this had not been included in the remit.

The Deputy Leader advised that car parking records showed that staff car parking did not impact on availability of parking spaces in the town and there was generally spare capacity, so did not impact on the revenue received. He made reference to the fact that staff were willing to be flexible at busy times when there was more pressure on parking and make alternative arrangements.

The Vice Chairman commented that he found it very surprising, in the light of service reviews and budgetary pressures, that the financial implications had not been considered. He asked whether the position of other public sector workers had been considered, for example at the Queen Elizabeth Hospital where staff were required to make a contribution toward their parking. He stated that he did not accept it was purely an issue of capacity, as a charge for staff parking would produce an income for the authority.

The Chief Executive stated that it was important not to look at this issue in isolation but in the context of the overall package which had been

presented to Cabinet. Staff had been asked to forego a cost of living increase, which had been accepted in a positive manner in recognition of financial pressures and the general economic climate. It was considered that it would be inappropriate to introduce charges for staff parking at this time, as it could inadvertently affect staff morale.

Comments were made that Members should be fully aware of the likely financial implication when making a decision and it was clear that this had not been the case.

The Deputy Leader quoted from the Leader's statement to the press which set out the reasons behind the decision that the current car parking arrangements for Council staff whilst at work would continue for the lifetime of this administration. He emphasised the importance of maintaining staff morale.

Councillor Tilbury proposed that the Committee moved to next business, for the reason that issues had been brought into the discussion by Councillor Mack which were not relevant to the decision and that no-one had suggested that the Cabinet decision was wrong. The proposal was seconded by Councillor Pope.

In response, Councillor Mack stated that the purpose of scrutiny was to look at the evidence used by Cabinet to reach its decision.

A vote was then taken on the proposal to move to next business, which was lost.

The debate continued and Councillor Mack stated that Members had been asked to keep the Cabinet Scrutiny discussion on the staff car parking issue separate from staff pay. He highlighted other issues which he felt should be considered, including equalities issues. He stated that this issue was of great concern to the public and all relevant matters had not been taken into consideration, in particular the financial consideration.

In response, the Deputy Leader reiterated that finance had not been considered to be an issue. He stated that all employees were entitled to have a parking permit, but many chose not to do so. The important issue was to maintain staff morale, especially those staff on the lowest pay grades.

Councillor Tilbury commented that the option was always open to the Council to charge staff for their car parking. This could be considered if there became a shortage of car parking spaces, but it was felt that this was not the case at this time. He stated that if Members had been unhappy with that decision, then they should have called it in.

Councillor Sampson stated that he was very sad that this matter was being discussed by the Committee. Car parking was an emotive issue and was part of the overall pay and conditions for staff. The amount of

money involved was very small and it was paramount to maintain staff morale at the present time.

CSC77: **SERVICE REVIEW PROGRAMME**

The Chairman made reference to the report to Cabinet which outlined the aim and scope of the review, and the timeframe for looking at individual services, during which relevant issues would be considered. He stated that he considered the tasks for both the officer and Member teams were substantial and the timescale for reporting back was very ambitious. He questioned whether it was realistic to get the answers needed within that timescale and feared that the timescale may not be met.

In response, the Deputy Leader stated that he had every confidence that the Chief Executive and the team would deliver what was required to meet the challenges of the current downturn and make the changes required to meet the financial shortfall in the Council's budget. He commented that it was important to identify areas of potential saving at the earliest opportunity in order that these could be put into effect as soon as possible and to reduce the uncertainty for staff.

The Chief Executive stated that it was important to get the review right, with the right outcomes for the public and the Council. He explained that in addition to the projected budget shortfall in 2011/12 of £925,000, there was a risk that the 2% increase in the 3 year Government Settlement Grant would not be forthcoming, which would impact on all local authorities in the country. There was also concern about the additional tasks which the Council would be required to undertake in relation to the Census. The Chief Executive advised that it was considered that some of the reviews could be achieved comfortably within the timescale shown, but some may need to be adjusted. For example, if it was decided to investigate the Leisure Trust option, a longer period may be required and it may be necessary to ask Members to review the timescale. However, it was explained that some work had previously been carried out on Leisure Trusts and it may be possible for this to be reviewed and updated, without the need for too much additional work and could therefore be completed quite quickly.

The Chief Executive emphasised that it was important to have a framework and a logical process in place for the review, and to proceed without delay in order to start to make savings and to reduce the uncertainty for staff. He explained that mini reviews were also being undertaken within service areas and ideas were starting to come forward.

In response to a question about how the model for the review had been developed, the Chief Executive advised that it had been based on a National School of Government consultancy model, which had then been developed further through discussions with Members. It was considered important that the review should not just be officer driven and would

need Member input on a regular basis. It was acknowledged that getting an external view was important and this external scrutiny would be provided through involvement on the Cabinet Service Review Team of a Member of the relevant Panel and a critical friend drawn from the business community. There would also be a critical friend on the Officer Team, who would be either an Improvement and Efficiency Officer or drawn from another service area.

With regard to whether availability could be an issue for the external critical friend, the Chief Executive explained that detailed discussions would need to take place with potential participants to establish their background, experience and availability. He commented that from previous experience, businesses were generally prepared to put in a considerable amount of work to assist local authorities.

In response to a question about financial considerations, the Chief Executive advised that finance was a key driver for the review. A significant budget shortfall needed to be addressed and it was not known how long the current recession would last. The need for financial savings had to be balanced with the importance of services to the community. He further explained that during the previous Cannizaro review, the focus had been on whether services could be delivered by less staff. Excess capacity had been identified, resulting in a staff reduction of about 15% and further posts had been deleted via the one for one process since that time. There were not likely to be significant further savings identified in this way and the current review needed to be fundamentally different, looking at the options for service provision and delivery.

The Vice Chairman expressed concerns about the ambitious timescale, the membership of the review team, in particular that there was no legal representation and whether there would be a need for "backfilling" of posts while the review was undertaken. He commented that there might be a risk of involving representatives from the business community who may have a vested interest in a service being outsourced. He also considered that the existing Scrutiny Review Panels should have a greater role.

Councillor Tilbury commented that the business community did not have any responsibility to the people of West Norfolk. It was the Council and elected Councillors who had responsibility for the standards of services which were delivered and it was considered that that the role of critical friend might be better served by elected members, who should be included in the membership of the review teams.

Views were expressed about the benefits of learning from the wider experience and knowledge by involving members of the business community.

The Deputy Leader emphasised that business representatives would not be making any decisions, but would provide an insight from a different

perspective and might well put forward ideas which the Council had not considered. While not elected representatives, businesses had a responsibility to their employees and the success of their business operation and were well placed to undertake the role of critical friend. He highlighted that the Cabinet Review Team also included a representative from the relevant Panel.

The Vice Chairman reiterated his concerns about involvement of business representatives and suggested that the critical friend could come from another local authority, as they would have a better understanding of local authorities and be likely to give a more effective challenge.

The Chief Executive advised that careful consideration would be given as to who would be involved in which review. Representatives would not be drawn from within the sector which was being reviewed. With regard to support from other local authorities, he explained that this was a framework and expertise could be drawn from another authority. However, a representative from the business community would be able to provide an external view. It was acknowledged that legal input would be required and this might lead to a capacity issue. A small budget had been made available to bring in additional help if required.

A comment was made that the most important issue of the review was the risk to staff, for who the next few months were likely to be very upsetting, as they were already experiencing uncertainty over job security due to Local Government Review.

The Vice Chairman put forward a proposal that the wording in paragraph 8.1 of the report, in respect of the critical friend on the Cabinet Service Review Team be amended to read "Critical friend – drawn from another District Council". The proposal was seconded by Councillor Tyler and on being put to the vote was agreed.

Councillor Tilbury then proposed that the wording in paragraph 8.1 of the report, in respect of the critical friend on the Cabinet Service Review Team be amended to read "Critical friend – drawn from the business community and should also have the facility to draw a critical friend from another local authority". The proposal was seconded by Councillor Payn.

In view of the earlier amendment which had been agreed, following a debate, and after seeking advice from the Senior Solicitor, the proposal was amended to read "Critical friend – the facility to draw from another local authority and also from the business community". The proposal was made by Councillor Tilbury and seconded by Councillor Payn. On being put to the vote the amendment was lost.

RESOLVED: That Cabinet be requested to consider Committee's recommendation that the wording in paragraph 8.1 of the report, in

respect of the critical friend on the Cabinet Service Review Team be amended to read “Critical friend – drawn from another District Council”.

CSC78: **EXCLUSION OF THE PUBLIC AND PRESS**

RESOLVED: That under Section 100(a)(4) of the Local Government Act, 1972, the press and public be excluded from the meeting for the following item of business on the grounds that it may involve the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Act.

CSC79: **NORA UTILITIES CONTRACT**

The Finance and Resources Manager gave a detailed presentation of the additional information which had been provided to the Committee. This related to the issues on which a verbal update had been given at the Cabinet meeting, including utilities, CIF2 works, funding and cash flow issues and the planned relocation of the College of West Anglia.

The Finance and Resources Manager responded to questions raised by Members, in relation to risk management and cash flow issues, community facilities and College of West Anglia. It was emphasised that where prudential borrowing was used, it must be ensured that there was no impact on council tax. He highlighted that all revenue costs could at present be met from within existing revenue budgets, subject to the risk management issues which had been identified.

The Finance and Resources Manager explained that the capital costs were close to what had been expected. A budget allocation had been made for the cost of remediation. However, following additional investigation works which had been carried out in significant areas of the development, the full amount may not now be required. It was considered that in the worst case scenario, costs could be maintained within the capital budget.

The Portfolio Holder for Regeneration acknowledged the knowledge and expertise of the Finance and Resources Manager on this matter.

On behalf of the Committee, the Chairman thanked the Finance and Resources Manager for his detailed explanations and responses to the questions which had been raised.

CSC80: **PORTFOLIO HOLDERS’ DECISIONS MADE UNDER DELEGATED POWERS**

RESOLVED: That the list of Portfolio Holders’ Decisions made under Delegated Powers be noted.

CSC81: **DATE OF NEXT MEETING**

The Committee noted the next meeting was scheduled to be held on **Wednesday 19 May 2009** at 6.00 pm.

Meeting closed at 8.00 pm