

## **DRAFT**

**Note: These Minutes will remain DRAFT until approved at the next meeting of the Committee**

# **RESOURCE MANAGEMENT SELECT COMMITTEE**

## **MINUTES OF THE MEETING HELD ON**

**19 OCTOBER 2009**

**Councillors:** Jeff Brooks (*Chairman*) (AP), Richard Crumly (P), David Goff (P), Gordon Lundie (P), David Rendel (P), Laszlo Zverko (*Vice-Chairman*) (P)

**Substitutes:** Keith Lock (SP)

**Also present:** Councillor Barbara Alexander (Portfolio Holder: Children and Young People), Councillor Irene Neill (Deputy Portfolio Holder: Children and Young People), Steve Broughton (Head of Property), Mark Lewis (Education Assets Manager), Maria Tillett (Business Manager, Theale Green Community School), Tina Norton (Headteacher, Kintbury St Mary's Primary School), Justine Fry (Finance Officer, Kintbury St Mary's Primary School), Ian Pearson (Head of Education Services), Malcolm Berry (Parent and Student Advice Centre Manager), Mike Trevallion (Transport Services Manager), Roz Haines (Finance Manager: Children and Young People), June Graves (Head of Housing and Performance), Mel Brain (Housing Strategy Manager), Robert O'Reilly (Head of Human Resources), Stephen Chard (Policy Officer)

### **PART I**

#### **26. APOLOGIES.**

An apology for inability to attend the meeting was received on behalf of Councillor Jeff Brooks. Councillor Keith Lock substituted for Councillor Jeff Brooks.

Councillor Laszlo Zverko, as Vice-Chairman, assumed the Chair in the absence of Councillor Jeff Brooks.

*(Councillor Laszlo Zverko in the Chair)*

#### **27. MINUTES.**

The Minutes of the meeting held on 22 September 2009 were approved as a true and correct record and signed by the Vice-Chairman.

#### **28. DECLARATIONS OF INTEREST.**

Councillor David Goff declared an interest in Agenda Item 5, but reported that, as his interest was personal and not prejudicial, he was permitted to take part in the debate and vote on the matter.

Councillor Gordon Lundie declared an interest in Agenda Items 5 and 7, but reported that, as his interest was personal and not prejudicial, he was permitted to take part in the debate and vote on the matter.

#### **29. ACTIONS FROM PREVIOUS MINUTES.**

The Committee considered an update on actions arising from the previous minutes (Agenda Item 4).

The information requested on the amount of funding returned to developers would be provided for the first meeting of the Section 106 Task Group.

### **30. PROPERTY CONTRACTS AND CONTRACTORS IN SCHOOLS.**

*(Councillors David Goff and Gordon Lundie declared a personal interest in Agenda item 5 by virtue of the fact that they were governors within Robert Sandilands Primary School and at a school in Wiltshire respectively. As their interest was personal and not prejudicial they were permitted to take part in the debate and vote on the matter).*

The Committee considered a two part report detailing the costs associated with providing Property Services to schools and detailing the results of the school satisfaction survey (Agenda Item 5).

Steve Broughton in introducing the reports made the following points:

- The Property service review was brought to a close in May 2009. The review identified issues of poor communication and concerns with the cost of using the Council's preferred contractor, Kier. As a result of the review an action plan was produced to address issues, which was included in the papers for this meeting.
- A number of projects were undertaken for education property, these included:
  - Approximately 21 properties undergoing major works at the value of £300k or above.
  - 50 projects ongoing as part of planned maintenance which totalled approximately £2m.
  - Remedial and reactive works, both at the value of around £500k per annum.
- The survey was undertaken at the request of the Select Committee. Some of the results pointed to a lack of understanding of the relationship between Education Assets and Property. As a result a newsletter had been introduced to provide guidance and further explanation. Appropriate contact points would also be routinely provided through the newsletter.
- 21 replies had been received to the survey and negative comments made in relation to specific work undertaken would be investigated individually.

School representatives were then invited to describe their experiences. Tina Norton and Justine Fry made the following points in relation to Kintbury St Mary's Primary School:

- Communication was a concern and an example was given of work undertaken directly by Kier during the school summer holidays, when there was confusion in respect of the mechanism for requesting work, who the work was ordered through, contact points etc. Steve Broughton pointed out that if contact was made directly with a contractor then the Council would not necessarily be aware. It was suggested that a guide indicating who to contact and when would be useful, particularly for new headteachers.
- The survey was not completed by the school, partly because of attendance at this evening's meeting but also because they did not wish to offend anyone within the service.
- Work was often done efficiently and effectively, but actually getting somebody in and the costs involved were concerning and there was little opportunity to voice concerns.

Steve Broughton then made a comment in relation to improving communication which, as described earlier, had already been noted as a concern. This was an area of change over the past year and it was intended that further improvements would be made once the restructure of the service was complete.

Maria Tillett made the following comments on behalf of Theale Green Secondary School:

- They did provide a response to the survey but did not include any detailed comment as it was the view of site staff that nothing would change as a result of the survey.
- Theale Green had bought in fully to the services provided, but had not seen detailed paperwork such as that provided for the committee meeting which described the roles and responsibilities of Property.
- Communication was again referred to as a problem. This was not helped by the turnover of school surveyors (four in three years) which made it difficult to establish a good working relationship.
- Recent experience of using the 4 hour response service was provided. An issue with the boiler was reported which meant that there was no heating in 50% of the school. A response was not received until the following day when the contractor arrived unannounced. This was an area where improved communication would have been a benefit.
- Staff on the helpdesk were helpful but they did not have the necessary understanding of the issues and by the time the message had got through to the correct person the issue could be lost. Site staff at Theale Green were of the view that a better approach would be direct contact through a contractor, which was also felt to be more cost effective. The pricing of work was not felt to be clear.
- Preventative work was more positive, although more information on what the annual service entailed was requested. Bigger projects were felt to work well, issues were more in relation to smaller day to day work.
- Overall it was felt that only 20% of work provided could be considered as good.

Steve Broughton then responded to some of the points made as follows:

- The helpdesk was run by Customer Services and it was believed that issues had been resolved through providing appropriate training, but this would be revisited.
- There were different response levels depending on the issue and Kier generally met the required response times.
- In respect of staffing there had previously been issues with agency staff, the use of agency staff had reduced and the issue had been removed. The Council employed its own surveyors and sought to improve staff retention.

Mark Lewis described methods used to keep schools updated. Asset training was provided 3 times a year and the website was currently being updated to include flow diagrams of responsibilities to make this clearer and information more readily available.

Steve Broughton described the project management methodology which was embedded in the work of the projects team and would bring improvements to the way in which services were delivered. Quality management systems were also

## **DRAFT**

being incorporated. These were a fundamental part of the improvement programme.

Queries then followed in relation to finances and how they were managed. The following points were made by Mark Lewis and Steve Broughton:

- Capital money for schools came directly into Education Assets and discussions were then held with Property to set a scheme of works and an estimated budget which was passed over to Property. The budget was managed between the two services.
- There was a full tendering process, managed through Procurement, to ensure there was good value for money. Projects were advertised via an online system.
- All project surveyors were paid from capital monies and they would work on 5 or 6 projects at any one time.

The lack of buy back was felt to be a concern (this was where schools brought back services using the funding received from the Direct Schools Grant). Steve Broughton explained that services offered through Property and Kier met building legislation and health and safety requirements, this could not be ensured through external contractors. It was noted that most secondary schools did not buy back and Steve Broughton explained that larger schools had the option of employing caretakers to conduct smaller pieces of work.

The schools buy back was due for renegotiation in approximately 18 months time and this process would commence in the summer of 2010. Work was needed by Property to encourage schools to buy back and it was agreed that prior to renegotiation, this item would return to the agenda to discuss how this was being developed.

The low response (26%) to the survey was a concern for the Committee as it did not provide a full picture. Steve Broughton was in agreement with this but advised that the comments were nevertheless important and changes could be made. However significant changes would be difficult based on a minority of views.

There was concern that issues might not be coming through and it was felt that the survey should be improved and resent prior to the renegotiation, when a larger response rate would hopefully be achieved to form a greater understanding of issues.

A Member commented that there seemed to be an over bureaucratic process involved and it was suggested that larger pieces of work went through Property with smaller works undertaken directly through a contractor. In response Steve Broughton advised that a consistent approach could not always be guaranteed as was the case with Kier, in addition other contractors were unlikely to sign up to emergency call outs. However it was noted that Kier was an expensive option for smaller jobs and a handyperson role had begun to be offered to schools.

The Kier contract was up for renewal and this would involve reviewing costs. Costs were already challenged regularly by Property.

Steve Broughton advised that he would continue to attend the Education Management Advisory Board, the School Standards and Effectiveness Panel, and other appropriate groups in order to receive feedback.

**DRAFT****RESOLVED that:**

- (1) Training needs for Customer Service staff would be revisited in order to resolve issues raised.
- (2) The topic would return to a future agenda, prior to the renegotiation of the schools buy back contract, to see what work was proposed to encourage more schools to buy back services.
- (3) The survey would be improved and then recirculated, again prior to the renegotiation of the buy back contract, when a larger response rate would hopefully be achieved to help form a greater understanding of issues.

**31. EDUCATION BUDGET MONITORING.**

The Committee considered a verbal report in relation to the budget position within Education, primarily home to school transport, in the present and previous financial years (Agenda Item 6).

By way of introduction Ian Pearson made the following points:

- The overspent budget in 2008/09 related to a number of different cost centres, which were managed between Education and Transport Services in delivering home to school transport.
- The Education Service allocated pupils to a school and made an assessment on the requirement for free transport. There was a statutory requirement to provide free transport for pupils living more than a certain distance away from their catchment school, this was not provided if parents chose a school outside of their catchment area. It was up to the Transport Service to procure the required transport.
- Funding for transport was provided for a financial year, however the transport needs and costs for a school year were not known in full until after the budget had been set.
- This was a high cost to the Council (over £4m in 2009/10), however West Berkshire was offering good value for money in comparison to similar authorities. Additional costs could unexpectedly increase either during the course of the year and/or between years. The budget to meet this cost was outside the Direct Schools Grant.
- Home to school transport had been reviewed many times, most recently by the Children and Young People Policy Development Commission, and a range of recommendations relating to finances arose from that work.
- There was use of West Berkshire funded transport, for example, by Reading pupils attending a West Berkshire school. Reading Borough Council were charged for this. The reverse was true for West Berkshire pupils attending neighbouring authority schools.
- A main element of expenditure was placement of West Berkshire pupils outside of the authority, in particular special needs pupils and pupils attending Pupil Referral Units. Small numbers of special needs pupils could impact significantly on the budget. The cost of transporting pupils had been looked at in detail, for example transport to a residential school, say on a monthly basis, was costly especially when including the cost of staying at the school. However this was found to be less expensive than transporting pupils to a closer school on a daily

## **DRAFT**

basis, although seeking a closer school was Council policy and had the benefit of the pupil being able to live in their own home.

- Other issues that impacted on cost were competition between contractors and high fuel costs.

Mike Trevallion then described attempts made to reduce costs. Greater use of local bus services and season tickets had been considered but there was not a large bus network in rural areas. The Council was legally entitled to operate their own transport service but a separate PSV (Public Service Vehicle) operator license and operating centre would be needed. PRU transport was operated in-house under a Section 19 Small Bus Permit with vehicles of less than 16 passenger seats. Village community bus services were also operated in-house under Section 19 for a Community Bus Permit, providing a once or twice a week service to isolated communities, but these were generally only available for people receiving a concessionary fares free bus travel pass.

The variance between the month 9 budget position and the 2008/09 year end was queried and Roz Haines confirmed that there was an increase of only £14k in the overspend across the entire Education budget within that time. The variance between the forecast of a year ago and the year end position was £20k.

It was noted that at the midway point of the financial year there was an underspend of £90k forecast for 2009/10 across Education, although it was added that very expensive transport packages could be required unexpectedly and increase costs. The Committee was assured that the forecast was based on the number of days in the school year until the end of March 2010 and was not based on the first 6 months of the financial year when there were a number of school holidays.

**RESOLVED** that the information provided would be noted.

### **32. DISABLED FACILITIES GRANTS.**

*(Councillor Gordon Lundie declared a personal interest in Agenda item 7 by virtue of the fact that he worked for a pharmaceutical company that assisted people with rheumatoid arthritis. As his interest was personal and not prejudicial he was permitted to take part in the debate and vote on the matter).*

The Committee considered a report (Agenda Item 7) concerning the way in which grants were allocated and committed within the budget.

Members had a number of questions and the officers present, Mel Brain and June Graves, responded as follows:

- The grant was part of the Council's work to assist people with remaining in their own homes.
- The waiting time for awards of grants depended on when the Occupational Therapist assessment was completed (which could take more than one visit), the level of need and the time taken to complete the application. Awards that were considered non urgent could take some time. If there was a deterioration then the client would be reassessed by an Occupational Therapist.
- The arrangement for work was between the client and the contractor and therefore the Council could not raise an order to pay the contractor until an arrangement had been finalised. Explanatory comments in this regard were provided in the capital report, which advised there was still a commitment, it just

could not be raised on Agresso. Ways to resolve this were looked at on an ongoing basis.

- Applications needed to be approved within 6 months and the client was informed as soon as possible if they did not meet the criteria. Applications were reviewed monthly by the Disabled Facilities Grant Panel.
- There was then a year in which to complete the work from the award of the grant and this was a continually rolling programme. This time lag made it difficult to realign the budget to more urgent cases, although many were completed within 12 months in any case. Negotiations would be required on a case by case basis if work was not completed within the 12 month period to establish whether the time could be extended. An individual could reapply if the 12 months had elapsed and they lost their award.
- There was a small list of contractors who had been approved through appropriate tender processes.
- Awareness of the grant was often raised by word of mouth but leaflets were also available and the Home Improvement Agency would talk to interested groups.
- The minimum level of grant was for work costing £500. Work costing below that amount was covered by a separate minor adaptations budget. The maximum level was £30k, although work at a higher cost could still be undertaken if there was an adequate level of contribution from the client. Indeed every applicant was means tested to assess whether they could make a financial contribution, this did not take the value of their own property into account.
- While information regarding the medical conditions of applicants was held, the full detail was with the Primary Care Trust. Assessments were undertaken by Occupational Therapists in both Adult Social Care and Children's Services.
- Additional funding for 2008/09 came from a bid made to the Capital Group and from an increase in funding from Communities in Local Government.

*(Councillor Gordon Lundie left the meeting at 8.40pm).*

- Retrospective payment could not be made for completed work, although funding could be provided to complete work that had already commenced.
- The Private Sector Housing Officer was responsible for quality checking throughout the process, this included assessing whether applications were reasonable and practical, and conducting the final means test and checks.

**RESOLVED that** the information provided would be noted.

### **33. ESTABLISHMENT REPORT QUARTER 1 2009/10.**

The Committee considered the 2009/10 Quarter 1 Establishment Report (Agenda Item 8).

Robert O'Reilly introduced his report and highlighted the following key points:

- There had been a decrease of Council funded FTE posts of 2.05 whereas the externally funded Establishment had increased by 15.98 FTE. Therefore the total Establishment had increased by 13.93 FTE to 1757.10 FTE.
- The amount of vacant FTE had decreased by 6.37. Vacant posts could be held for a combination of reasons, one of which could be as a Managed Vacancy Factor (MVF). The average MVF required across service areas was 3%.

## **DRAFT**

- The rolling annual turnover had reduced marginally from the same time a year ago and at quarter 1 was 11.83%.
- The Budget Monitoring Panel (formerly Recruitment Panel) deleted 4.41 FTE from the Establishment.

Discussion then followed on the average MVF requirement of 3% and whether the savings made from staff turnover could not be used to achieve the necessary saving. Robert O'Reilly explained that decisions of this sort had to be made across service area budgets, in some cases there was a requirement for agency staff and savings from staff turnover could be used to meet the cost. MVF savings were identified from a specific post or posts.

**RESOLVED that** the Quarter 1 Establishment Report would be noted.

### **34. WORK PROGRAMME 2009/10.**

The Committee considered the Resource Management Select Committee Work Programme (Agenda Item 9).

As discussed earlier, the item in relation to Property work within schools would remain on the Work Programme. It was suggested that the revised satisfaction survey should be conducted by April 2010 and be circulated directly by the Select Committee.

**RESOLVED that** the Work Programme would continue to include Property work within schools and discussions would be held with Steve Broughton to arrange to repeat the satisfaction survey.

*(The meeting commenced at 6.30pm and closed at 9.05pm)*

**CHAIRMAN** .....

**Date of Signature:** .....