

# 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 TUESDAY, 18 MAY 2010

**Councillors Present:** Jeff Brooks (Chairman) (P), Richard Crumly (P), Dave Goff (P), David Holtby (P), David Rendel (P) and Laszlo Zverko (Vice-Chairman) (P)

**Also Present:** Councillor Keith Chopping (Portfolio Holder: Finance, Economic Development, Property, Health and Safety), Councillor Barbara Alexander (Portfolio Holder: Education), Steve Broughton (Head of Property and Public Protection), Andy Green (Maintenance Manager - Property Services), Mark Lewis (Education Assets Manager), Margaret Goldie (Corporate Director - Children and Young People), Andy Walker (Head of Finance), Stephen Chard (Policy Officer)

**Apologies:**

#### PART I

#### 4. Apologies

There were no apologies for absence received.

#### 5. Minutes

The Minutes of the meeting held on 19 January 2010 were approved as a true and correct record and signed by the Chairman.

#### 6. Declarations of Interest

There were no declarations of interest received.

#### 7. Actions from previous Minutes

The Committee considered information provided as requested at the previous meeting (Agenda Item 4).

The information provided on social care contract negotiation was noted. This would be returned to when Teresa Bell, Corporate Director (Community Services), was next in attendance in order to seek further clarity.

*(Councillor David Holtby joined the meeting at 6.35pm).*

The outcome of the joint work being conducted by the Stronger Communities Select Committee and the Greener Select Committee on public transport would be reviewed when completed, to assess whether the Resource Management Select Committee wished to cover any additional work related to the topic.

The information provided detailing the costs of providing childcare vouchers to staff was noted. Andy Walker confirmed that the budget provision was held in Human Resources.

#### **RESOLVED that:**

- (1) Work on negotiating social care contracts would be returned to when Teresa Bell was next in attendance in order to seek further clarity.

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- (2) The outcome of the joint public transport scrutiny work would be reviewed when completed to assess whether the Select Committee wished to cover any additional work related to the topic.

### 8. **Property Contracts and Contractors in Schools**

The Committee considered a report (Agenda Item 5) in continuation of its work to review the efficiency and effectiveness of Property Services in relation to contracts and the use of contractors in schools.

Steve Broughton highlighted the following key points in relation to the repeated school survey:

- The survey reinforced what was already identified following the Property Service review and the original school survey. The Property Service action plan sought to address these issues. This included improvements to communication with schools, with further surveys planned and more informal contact both during and post a project. Test surveys had been run with Theale Green Community School and Mortimer St Johns Infant School.
- The full list of comments provided by schools responding to the survey had been examined and noted. Steve Broughton felt that many of these were historical and had been addressed previously, although trend analysis had been undertaken. However, concerns remained for some schools based on their previous experience of work undertaken. There were also some positive responses, albeit minimal.
- There was no specific target to increase the number of schools buying back services, but there was a desire to maximise this.
- It was acknowledged that the Project Management Methodology needed further development and this had been addressed in the action plan.
- Many issues related to the cost of the Council's maintenance term contractor, Kier. It was acknowledged that schools did need to pay a premium for the contract which included emergency call outs. However, quotes provided were often challenged and in some cases an alternative contractor had been used. A working group had been set up to discuss the future of this contract which included schools and Education Officers.

Some of the particulars of the Kier contract were then discussed. Andy Green advised that the contract was in its eighth year. It had been renewed for a further three years on the completion of the original five year contract. The contract was due for renewal in April 2011.

It was made clear to schools that the contract was not meant for minor works and a handyman service had been offered on a trial basis to schools. However, there had not been a great take up of that service at this stage. This was partly due to the fact that some schools employed caretakers.

Members queried whether there was sufficient awareness of this service. Steve Broughton confirmed that it was included in every Property Service newsletter and communicated at the Education Management Advisory Board. Mark Lewis added his view that information needed to be regularly communicated to schools in this way.

It was queried whether the issue raised by a number of schools in relation to the way in which jobs were invoiced and paid had been incorporated into the action plan. Schools reported that they were not always aware of final prices and this therefore impacted on

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their budget monitoring. Andy Green explained that as schools could not access the Council's financial system, Agresso, Property Services were authorised to process payments on their behalf. However, schools were involved as follows:

- They were provided with a quote for the requested work.
- They signed off the work when they were satisfied that it was completed.
- Information was provided on the work undertaken, materials used etc.
- Schools were notified when the actual cost started to exceed the estimate, this was more often the case for reactive work. Schools were also sent actual charges on a monthly basis.
- Schools did have a time period in which they could raise concerns before payments were made.
- A checking process was utilised to ensure that orders and invoices were accurate. This covered a sample of 10% of jobs.

Members remained concerned that not enough invoices were being checked prior to payment which could cause pressure on school budgets. It was questioned why schools did not see invoices relevant to them. Andy Green advised that this was because the contractor provided one itemised invoice for a period of time and not a number of separate invoices.

Steve Broughton acknowledged that although these checks were in place, elements of the process needed to be strengthened. These aspects were being taken forward through the Property Service action plan, as follows:

- The maintenance arrangements had changed and the two previously separate teams had been combined.
- Each school had been allocated a surveyor, if for any reason this was to change then the school would be informed. This was one aspect of improved communication with schools.

Mark Lewis then made the following comments on how he felt schools viewed the services provided:

- Negative comments based on historic faults were generally a fair assessment.
- However, improved communication had led to a better understanding within schools. A good example of this was the improved relationships between schools and their surveyors.
- Mark Lewis was pleased to note that he was receiving fewer messages of concern from schools and this pointed to improvements, but it did take time to change perceptions.

The suggestion was then made that more minor services should not be offered and effort should be concentrated on providing major works and emergency services in the new contract. It was agreed by Officers that consideration would be given to this approach, however, the reactive, emergency and service contracts should still be provided, and, if possible, made mandatory. Councillor Barbara Alexander, Portfolio Holder for Education, and Margaret Goldie, who were both in attendance for another item, gave their support to pursuing the approach of not providing minor services. Although the major services referred to could not be made mandatory as schools were autonomous.

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It was queried whether requests from schools for minor works to be undertaken by Kier were redirected. Steve Broughton agreed this could happen and it would give an opportunity to provide quotes for the handyman service.

Councillor David Rendel put forward a proposal that schools should receive a copy of the invoice sent to the Council. This would enable the schools to approve the final figure before the Council made payment. Members were in support of this proposal and Andy Green agreed to set up a process to take this forward via e-mails with schools.

Councillor Jeff Brooks then made a proposal, which was supported by Members, that the Select Committee should assist with the production of a new school survey to help inform future services. This would include seeking to gain a fuller understanding of current issues affecting the decision of whether or not to buy in to services and would have a score rating on the level of service provided. Steve Broughton reiterated that it was his intention to produce a survey that requested feedback both during and post a project. Councillor Barbara Alexander agreed that a covering letter could be sent from her to support the school survey. This would take place later in the year when it was hoped that progress would have been made and a more positive return would be received.

### **RESOLVED that:**

- (1) Property Officers would give consideration to not providing minor services to schools with concentration given to major works and emergency services in the new contract.
- (2) Minor works requested by schools in the existing Kier contract should be redirected, possibly to the handyman service. This element should be retained if minor works continued to be offered in the new contract.
- (3) Andy Green would set up a process to ensure that schools approved the final amount invoiced for works undertaken, before payment was made by the Council.
- (4) Steve Broughton would produce a new school survey to help inform future services with assistance provided by the Select Committee. The survey would take place later in the year when it was hoped that progress would have been made and a more positive return would be received. A covering letter would go from Councillor Barbara Alexander to support the survey.

## **9. Section 106 Contributions**

The Committee considered a report outlining the results of the task group review into why S106 contributions had been unspent and the issues delaying payment (Agenda Item 6).

Councillor Laszlo Zverko, Chairman of the Task Group, introduced the report presented for the Select Committee's approval. Once approved the report would be taken to the Overview and Scrutiny Management Commission for their endorsement.

The Committee went through the report paying particular attention to the recommendations and the following comments/amendments were made:

Paragraph 9.1 (conclusions). There was some difference in opinion regarding whether the statement that "the system in West Berkshire operated well with S106 contributions spent appropriately where possible" was accurate. There was generally agreement that the system had improved and it was felt that the task group's work had contributed to this.

Andy Walker advised that unspent balances were monitored by, and service areas attended, quarterly meetings of the S106 sub group of the Capital Group. This supported recommendation 4.

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An amendment was requested to recommendation 12, to request that Parish and Town Councils discuss S106 contributions as a standing item at some or all of their meetings.

An amendment was requested to recommendation 14, that if a set timeframe for spending contributions was exceeded then service areas should investigate whether contributions could be reallocated to another appropriate area, subject to legal agreements.

Councillor David Rendel, another Member on the task group, suggested that there were some aspects raised as part of the review that would be useful for the Select Committee to receive in future. This was to understand progress with payments which had been outstanding for many years, although these amounts were minimal. It was felt that developments with the Community Infrastructure Levy would also be useful.

### **RESOLVED that:**

- (1) The report would be approved with the amendments requested and then sent to the Overview and Scrutiny Management Commission for endorsement.
- (2) Additional information would be requested for a future meeting regarding progress with payments which had been outstanding for many years, as well as information on developments with the Community Infrastructure Levy. These would be added to the work programme.

## **10. Children and Young People Directorate Budget Monitoring**

The Committee considered the current position of the Children and Young People Directorate budget (Agenda Item 7).

Margaret Goldie reported that the Directorate would be underspent by approximately £400k. This was primarily due to underspends within Children's Services and was for the following reasons:

- A reduction in allowances paid to foster carers.
- An expectation that expensive residential placements would be required, however this level of need did not materialise.
- A significant level of income had been received as a result of other local authorities purchasing adopters trained by West Berkshire Council. This was a reciprocal arrangement.
- The age range of children in foster care in 2009/10 differed to the previous financial year and indeed the current financial year. Many younger children were in the fostering system during 2009/10 than was normally the case and this meant that costs were reduced, even though the actual number of children in foster placements remained stable (an annual average of 130). This was because a number of older children moved out of the system. The age profile for 2010/11 differed with many older children in the looked after system which would mean an increase in costs. These changes were hard to predict as many children moved in and out of the system, although the age profile was tracked as much as possible to help estimate costs, i.e. those due to reach the age of 18. Budgets were also based on previous financial years.
- Care proceedings were seen as a last resort and efforts were first made to place a child with other family members or friends. From a budget point of view however, this did not necessarily reduce costs as allowances still needed to be paid.

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- The reduction of professional services mentioned in the report referred to consultancy and advisory functions. This funding was contained within the Corporate Director budget and was seen as non priority spend, this part of the budget was therefore frozen.

Members felt that it would be useful to understand the budget variations that had occurred since the previous budget report was made to the Select Committee in order to help analysis. It was agreed that the spreadsheet provided at the previous meeting would be presented with the latest report at future meetings.

**RESOLVED** that Stephen Chard would circulate the spreadsheet discussed at the previous Committee meeting alongside the latest report in order to help analysis.

### 11. 2009/10 Month 11 Revenue Budget Monitoring

The Committee considered a report (Agenda Item 8) concerning the month 11 revenue budget monitoring.

#### **Community Services**

The £16k saving against the subsidy for Newbury Cinema was queried. Andy Walker agreed to provide a written answer to explain this.

#### **Environment**

It was queried whether the estimated additional cost of £651k for winter maintenance and road repairs could be assisted by grant monies. Andy Walker advised that this grant could only be used in 2010/11.

#### **Chief Executive**

It was noted that the underspend for the Chief Executive's Directorate budget had increased by £223k from the previous month. This was felt to be a large movement which was also the case in previous years. A concern was raised that forecasting was not sufficiently accurate.

The delay with the CCTV transfer was queried and a written response was requested. A written response was also requested to explain why the large refund identified within ICT had not been found at an earlier stage and similarly why the additional fee income in Legal and Electoral Services had not, at least in part, been budgeted for.

It was agreed that Nick Carter would be asked to provide the information relating to the Chief Executive's Directorate budget.

The costs of the general election were fully funded by a central government grant. Andy Walker agreed to check who met the costs of the local election with the Returning Officer.

#### **Levies and Interest**

The high underspend of £340k was queried. Andy Walker explained that this was mostly in relation to savings made within the pay award budget, with the remainder coming from budget accruals made by service areas which were no longer required.

Andy Walker advised that the year end figure was not yet finalised but it was the intention to report this at Executive on 17 June 2010.

#### **RESOLVED that:**

- (1) Andy Walker would provide a written answer to explain the £16k saving against the subsidy for Newbury Cinema.

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- (2) Nick Carter would be asked to provide the information requested that related to the Chief Executive's budget.
- (3) Andy Walker would check who met the costs of administering the local election with the Returning Officer.

### 12. 2009/10 Month 11 Capital Programme Monitoring

The Committee considered a report (Agenda Item 9) concerning the month 11 capital programme monitoring.

It was commented that it was pleasing to see the high level of budget commitment.

**RESOLVED that** the report would be noted.

### 13. Work Programme

The Committee considered the Resource Management Select Committee Work Programme (Agenda Item 10).

The items intended for the next scheduled meeting of 15 June 2010 were noted.

Councillor Jeff Brooks raised the need to identify future scrutiny topics that could be added to the work programme. Councillor Jeff Brooks and Councillor Laszlo Zverko agreed to pursue this through their respective political groups.

**RESOLVED that:**

- (1) The items intended for the meeting on 15 June 2010 would be noted.
- (2) Councillor Jeff Brooks and Councillor Laszlo Zverko would seek to identify future scrutiny topics through their respective political groups.

### 14. Establishment Report Quarter 3 2009/10

The Committee considered the Quarter 3 Establishment Report (Agenda Item 11).

The downward trend in the establishment was noted by the Committee.

There was however an increase in jointly and externally funded posts, which carried a risk if external funding was reduced.

**RESOLVED that** the report would be noted.

### 15. Exclusion of Press and Public

**RESOLVED that** members of the press and public be excluded from the meeting for the under-mentioned item of business on the grounds that it involves the likely disclosure of exempt information as contained in Paragraphs 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended by the [Local Government \(Access to Information\)\(Variation\) Order 2006](#). [Rule 9.10.4 of the Constitution also refers](#).

### 16. St Bartholomew's School Rebuild Project - funding update

The Committee considered an exempt report providing a funding update on the St Bartholomew's School rebuild project.

Margaret Goldie presented the report which described the outstanding funding matters relating to the St Bartholomew's School rebuild project, as requested by the Select Committee.

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Margaret Goldie confirmed that the work was on schedule.

**RESOLVED that** the report would be noted.

*(The meeting commenced at 6.30pm and closed at 9.00 pm)*

**CHAIRMAN** .....

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