

MEETING OF THE RESOURCES POLICY DEVELOPMENT GROUP

THURSDAY, 29 JANUARY 2015 2.00 PM



GROUP MEMBERS PRESENT

Councillor Mark Ashberry
Councillor George Chivers
Councillor Nick Craft (Chairman)
Councillor Nick Robins

Councillor Bob Sandall
Councillor Jacky Smith
Councillor Raymond Wootten

PORTFOLIO HOLDER

Councillor Bob Adams, Portfolio: Arts and Leisure
Councillor Teri Bryant, Portfolio: Good Housing
Councillor Mrs Frances Cartwright, Portfolio: Grow the Economy and Economic Development

OFFICERS

Chief Executive (Beverly Agass)
Corporate Finance Manager (Richard Wyles)
Executive Manager, Development & Growth (Paul Thomas)
Principal Planning Officer (Justin Johnson)
Governance & Risk Officer (Tracey Elliott)
Senior Project Officer (Ian Powell)
Community Engagement and Policy Development Officer (Carol Drury)
Principal Democracy Officer (Jo Toomey)

OTHER MEMBERS PRESENT

Councillor Susan Sandall

44. MEMBERSHIP

The PDG was notified that Councillor Chivers would be substituting for Councillor Bevan and that Councillor Wootten would be substituting for Councillor Scott for this meeting only.

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45. DISCLOSURE OF INTEREST

No interests were disclosed.

46. ACTION NOTES FROM THE MEETING ON 27 NOVEMBER 2014

The action notes from the meeting held on 27 November 2014 were noted.

47. TRANSFORMATION PROGRAMME

The Chief Executive gave a brief presentation on the transformation programme that had been undertaken. The programme was designed to ensure that the organisation was fit for the future, in a position to deal with changes to funding and meet customers' demands and expectations.

A key element of the programme concentrated on creating a flexible workforce, which included the way the council delivers services to customers and the effective use of the building and assets. Understanding the work of different teams helped identify how the organisation could use desk space most efficiently.

The programme was scheduled to last 18-months with three phases which were determined by the volume of demand for services. This process would provide a single view of the customer and management information to identify peaks in demand and inform business decisions to ensure sufficient resources were available to meet those peaks.

The redesign of the Council's website was also underway. Changes would make it more easily navigable and as up-to-date as possible. Test sessions were scheduled to begin shortly and the involvement of Councillors was welcomed.

Members were reminded that the Council's grant funding had reduced by 40% between 2011/12 and 2015/16, which equated to £2.3m. To help meet required savings and better position the Council to meet future funding demands, different ways of working had been implemented, which included renegotiating and amalgamating contracts, zero base budgeting and invest to save initiatives.

Corporate savings had also been achieved through redesigning management arrangements to create a smaller, more agile management structure. Councillors and staff were consulted on the proposed design, which was then implemented. Members noted that outstanding recruitment would be completed shortly. The redesign was expected to generate savings of approximately £400k per annum and payback was expected to take between six and eight months.

A number of questions were raised by Councillors covering potential changes to the wider staffing structure to support increased flexibility and examples of

invest to save projects, their payback periods and the invest to save reserve.

The Chairman thanked the Chief Executive for her attendance.

48. FEEDBACK FROM THE EXECUTIVE

The Portfolio Holder for Grow the Economy – Economic Development gave feedback to the PDG on its recommendation to introduce maximum stay limits for car parks in Bourne. She stated that she appreciated the good work undertaken by the PDG on the matter but did not consider it prudent to pursue at this time. She explained that the outcome of the General Election could have a significant impact on local parking policy and lead to a district-wide review of car parking arrangements. She also asked the PDG to note that feedback on the recommendations was initially sent in September 2014.

49. UPDATES FROM THE PREVIOUS MEETING

Pre-application planning advice – householders

At its meeting on 27 November 2014, the PDG had requested information to help them review the impact of the charge for pre-application planning advice for householders. The Executive Manager, Development and Growth presented report number PLA1084 which outlined the Council's current position in relation to charging for pre-application advice and considered the aims of the charge, what had been achieved and the levels of take-up.

Following the introduction of a charge for pre-application advice in April 2013, income reached £35k in 2013/14 and £30k to date in 2014/15. Half of the householders who sought advice proceeded to submit an application; of those the majority were submitted in accordance with the advice that was given.

Previously the PDG had suggested introducing a system of reimbursing pre-application advice fees where applications followed the advice given. The report listed four reasons why operating such a system would not be practical and it was therefore recommended that no changes be made to charging arrangements at this time.

Members recognised the value of charging for pre-application advice because it recovered the costs of officer time spent giving that advice and agreed that no recommendation for change should be made at this time.

Recommendation:

That charging arrangements for pre-application advice for householders should not change at this time.

Cycle Centre

The PDG had a brief discussion on the cycle centre. A report on its use had been produced, which also incorporated feedback on the facilities. The discussion covered differential charging for secure cycle storage and secure cycle storage with access to shower facilities, hours of access for different parts of the facility, refundable deposits for small lockers, publicity for the facility and the Council's wellbeing agenda.

It was agreed that a working group meeting should be called to discuss the issue in detail.

Recommendation:

A working group of the PDG should be convened to consider the cycle centre.

50. INSURANCE STRATEGY

The Corporate Finance Manager summarised report number HOF300 which updated members on the Council's approach to its insurance arrangements for all of its stock and business activities, with the scope covering both the General Fund and the Housing Revenue Account. The draft Insurance Strategy was attached as appendix A to the report.

Members noted that a lot of good work had been done by teams to get the Council's claims history in a good position, which had helped with the current procurement process to secure a new insurance contract. This was the Council's first Insurance Strategy and covered three key areas

- The balance between self-insurance and reliance on third party arrangements (ensuring financial viability to contain risk in-house)
- Policies and procedures to manage insurance (services taking responsibility for their arrangements with central support)
- Ensuring reserves were at an appropriate level

The procurement process had been supported by Procurement Lincolnshire and undertaken in collaboration with other partners. A moderation day was scheduled for Monday 2 February 2015 to meet with potential bidders and it was hoped the contract would be let in due course.

15:27: The Chairman left the meeting to attend a further meeting on behalf of the Council.

As the Chairman had left the meeting and the Vice-chairman was not present, the Principal Democracy Officer invited members of the PDG to nominate a Councillor to preside over the meeting. It was proposed, seconded and on being put to the vote agreed that Councillor Jacky Smith should take the Chair

Members of the PDG were particularly keen that any contract going forward

should continue to provide claim-handling for all insurance claims including those settled through self-insurance arrangements. Members noted that while currently 30% of insurance claims were dealt with through self-insurance arrangements, it was hoped that this could extend to 50% going forward, with an increase in the Insurance Reserve to £500k to accommodate.

Recommendation:

That Cabinet approve the draft Insurance Strategy as attached at appendix A to report HOF300.

51. BUDGET MONITORING REPORT

The Head of Finance summarised report number HOF308 which gave Councillors an update of actual spend against budgeted levels and the forecast outturn at 31 October 2014.

General Fund

Since the report presented to the PDG on 27 November 2014, the forecast outturn position had moved by £27k, which meant a projected variance below budgeted levels of £284k at year-end. Consideration was being given to projects that could be brought forward from 2015/16 to fully utilise the available budget.

A number of key variances and the main movements were highlighted.

- A reduction in the leisure management fee
- Development management income exceeded budgeted levels
- Reduction in the forecast outturn for rural wifi initiatives of £10k
- Reduction in the forecast income for building control by £38k
- Reduction in forecast income level for Bourne Community Access Point of £9k as income from retail units had not met anticipated levels
- The workforce efficiency target was forecast to be fully met

Housing Revenue Account

The forecast variance for the Housing Revenue Account was £87k. Key variances were highlighted.

- Increased use of pool cars led to a forecast saving of £13k in respect of travel claims
- Additional intervention may be required to meet the workforce efficiency target

General Fund Capital Programme

A number of movements in the General Fund Capital Programme were

highlighted.

- The re-profiling of the cinema project moved budget across to 2015/16
- Remaining budget from the acquisition of strategic land would roll into 2015/16
- New customer management and document management systems had been procured

Housing Revenue Account Capital Programme

A number of movements in the Housing Revenue Account Capital Programme were highlighted.

- Remaining budget from the acquisition of strategic land would roll into 2015/16
- Approved infrastructure works had started in December 2014 and would continue into 2015

Headcount

At 31 October 2014 the actual FTE was 553.2 which was a variance of 16.3 FTE below the budgeted level.

Local Authority Mortgage Scheme

Since the second scheme went live in February 2014 10 offers had been made, 8 of which had been finalised. Members noted that there was still a discrepancy between the number of offers in the NG31 postcode area and the south of the district. It was suggested that it might be necessary to review the loan to value levels to take account of the variation in property prices.

52. ALTERNATIVE METHODS OF BUILDING HOMES

The Senior Project Officer presented report number RIM0343 on new build housing utilising off-site manufacture. The report highlighted the benefits of cost-effectiveness and speed on sites with capacity for a minimum of 20 to 30 houses. Members noted that there were three sites that would be suitable in the Council's ownership across the district. If needed, funding could be made available to acquire additional land on which houses could be constructed. PDG members agreed that officers should continue to look for suitably priced, suitably situated land in areas of need.

Construction methods and finish varied across providers. Some concern was expressed that off-site manufacturer would limit the use of local trades. Members noted that while use of local labour formed part of procurement, cost was still the key principle. Cost differences between traditional manufacturing methods and off-site manufacture were detailed in appendix 1 to the report.

Recommendation

That the Council continues with the proposed arrangements for building new Council housing as laid out in the Housing Revenue Account business plan subject to full Council approving the proposed budget provision on 2 March 2015.

53. WORK PROGRAMME

The Community Engagement and Policy Development Officer informed the PDG that as its next meeting was the last one before the election, it would be given a report that summarised the work it had undertaken and the outcomes to which it had contributed.

54. CLOSE OF MEETING

The meeting was closed at 16:26.