



Rutland County Council

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Record of a meeting of the **CORPORATE SERVICES SCRUTINY PANEL** held in the Council Chamber, Catmose, Oakham at 7.00pm on **Thursday 16 December 2010**

PRESENT: Mr N Wainwright – Chairman (in the Chair)
Mr K A Bool
Mr P J W Golden
Mr P D Ind
Mr B W Roper

Also in Attendance: Mr T C King Portfolio Holder for Development and Finance

OFFICERS PRESENT: Mrs V Brambini Head of Capital Projects
Mrs H Briggs Chief Executive
Ms S Dring Head of Business Support – Resources
Miss D Muddimer Strategic Director for Resources
Mr J R Tomlinson Democratic Services Officer

APOLOGIES: Mr M E Baines, Capt V Dighé, Mr T C Ellis, Miss C L Jones

688 RECORD OF MEETING

The Record of the Meeting of the Corporate Services Scrutiny Panel held on 18 November 2010, copies of which had been previously circulated, was confirmed and signed by the Chairman.

689 DECLARATIONS OF INTEREST

In accordance with the Regulations, Members were invited to declare any personal or prejudicial interests they might have and the nature of those interests in respect of items on the Agenda and/or indicate if Section 106 of the Local Government Finance Act 1992 applied to them.

During consideration of Report No 248/2010, The Big Build Update, Mr N M Wainwright declared a personal interest as a Governor of Catmose College.

690 PETITIONS, DEPUTATIONS AND QUESTIONS

No petitions, deputation or questions had been received from members of the public.

691 QUESTIONS WITH NOTICE FROM MEMBERS

No questions had been received from members.

692 NOTICE OF MOTION FROM MEMBERS

No Notices of Motion had been received from members.

693 CONSIDERATION OF ANY MATTER REFERRED TO THE PANEL FOR A DECISION IN RELATION TO CALL IN OF A DECISION

No matter was referred to the Panel for a decision in relation to call in of a decision in accordance with Procedure Rule 206.

SCRUTINY

694 PERFORMANCE MANAGEMENT REPORT – QUARTER 2 2010/11

Report No 247/2010 from the Chief Executive, which reported against the Council's Performance Management Framework for the quarter ending 30th September 2010, was received.

During discussion, the following points were noted:-

- Significant reductions had been achieved in days lost due to sickness over the last twelve months.
- There were a few red indicators, none of which related to the Corporate Services Scrutiny Panel.
- Work was being done to develop more relevant local indicators, relating to the Council's strategic aims, for monitoring performance in the future.

695 FINANCIAL MANAGEMENT REPORT 2010/11 QUARTER 2

Report No 249/2010 from the Strategic Director for Resources, which provided information on how the Council was performing against its revenue and capital budgets and report a forecast outturn position as at 30th September 2010, was received.

During discussion, the following points were noted:-

- A revised report was tabled which contained additional information about the projects funded by transfer from Earmarked Reserves (paragraph 4.8).
- The forecast overspend of £309,500 for Corporate Services would be offset by restructure savings achieved in individual directorate budgets.
- Mr King observed that the majority of reserve transfers had been planned from the start of the year, the only specific exception being the transfer of £17,400 for the Ashwell Business Units.
- There was some discussion on the value of investment in Agresso which was requiring some additional development work over what had originally been anticipated. This was a similar experience to that of other authorities who had installed the same software.
- A post-implementation review of Agresso in six months time would be welcomed.

696 COMPREHENSIVE SPENDING REVIEW UPDATE

The Strategic Director for Resources, Miss Muddimer, circulated a Council press release published Tuesday 14 December 2010 headed “£2.1m Funding Cut”. This explained that the amount of money the Council was to receive from central government was to fall by £2.1 million during the next two years – an overall reduction of 14.3% (2011/12) and 9.8% (2012/13). Government funding for Rutland was to be reduced from £9.39 million (2010/11) to £8.04 million (2011/12) and then £7.25 million (2012/13). Additional information on grants that may have disappeared was also awaited, as was further information regarding schools funding.

Miss Muddimer observed that there had been some confusion arising from reports in the media suggesting a funding reduction of just 2.2% for Rutland. This latter figure included a proposed grant to compensate for loss of income from a Council Tax freeze and also assumed a level of spending by the NHS on social care within Rutland. Portfolio Holder, Mr King added that the figures released as part of the settlement painted a bleaker picture than had been anticipated but work had already started to find a way of making the extra savings needed. Consideration would be given to the detailed information published for the provisional grant settlements in drawing up budget proposals for 2011/12 and a consultation with local taxpayers and business representatives would take place early in 2011.

During discussion, the following points were noted:-

- It was observed that it was difficult to give a coordinated view of the implications of the Comprehensive Spending Review because information was being released in a piecemeal fashion.
- Although the Council Tax would be frozen at current levels in 2011/12, parishes still had the right to change precepts, so final bills could still vary from one year to the next.
- Information on a number of grants was awaited. Some were likely to disappear and some new ones may emerge. Particular reference was made to the need for more information on the Housing Incentive Scheme and on school funding.
- Uncertainty remained with funding arrangements in relation to academies. More details were also awaited on the methodology to apply to distribution of school funding. It was thought likely that it would be allocated on a “per pupil” basis, rather than the allocation being determined by local authorities. Surplus funds were less likely to be pooled for redistribution in the case of academy schools, and it was possible that financial pressures on smaller schools may increase.
- The timetable for consideration of budget proposals for 2011/12 was discussed and it was agreed that the evenings of Wednesday 12 and Thursday 13 January 2011 should be set aside for the Scrutiny Panel budget meetings, with two Scrutiny Panels to meet each evening on a consecutive basis.

AGREED

1. That the Comprehensive Spending Review update be noted.
2. That the evenings of Wednesday 12 and Thursday 13 January 2011 be set aside for consecutive meetings of all four Scrutiny Panels to consider the 2011/12 budget.

697 THE BIG BUILD UPDATE

Report No 248/2010 from the Head of Asset Management, which provided a summary of progress with the Big Build project, was received.

During discussion, the following points were noted:-

- The contractor had advised that he was seeking Practical Completion on 10 December 2010 allowing the client fit-out phase of the project to commence from early January 2011. However a long list of snaggings had prevented this deadline from being achieved, and a revised target date of 20 December 2010 was also looking doubtful. It was therefore likely that it would remain the contractor's building until after Christmas.
- Most of the snaggings were minor and all were in hand. The documented record of the project's progress suggested that the delays were the responsibility of the contractor. The most significant delay had been caused by the late order placed by the contractor for the turnstiles which were not now expected to be delivered to site until the week commencing 4 January 2011.
- The contractor was seeking a chargeable extension of time which the Council was disputing.
- Despite the delays, it was still anticipated that the opening day at half term would be achieved. Arrangements had been made for secure storage of fittings delivered on site whilst construction work was completed.
- Negotiations were proceeding with the College over responsibility for removal of any asbestos found in the existing buildings.
- The financial position was being scrutinised. The overspend was currently estimated to be some £101,000 which would be offset by a contingency reserve of £100,000. A cost per week calculation was being worked on for the remainder of the project and this would be taken up with the contractor in future discussions, including pursuit of liquidated and ascertained damages (LAD's).
- Good progress was being made with governance issues, in particular heads of terms for the leases and joint use agreements. It was anticipated that an update report would be presented to Cabinet on 11 January 2011.

AGREED

That the update on the Big Build Project be noted.

698 THE LITTLE BUILD UPDATE

Report No 251/2010 from the Head of Asset Management, which provided a summary of progress with the Little Build project, was received.

During discussion, the following points were noted:-

- Good progress was being made. There had been some time lost to adverse weather conditions, but it was expected that this time would be made up.
- There was some discussion around the original bidding process. This had been extensively reviewed by the District Auditor who had reported that he was satisfied that the due process for the impartial selection of a contractor on a value for money basis had been undertaken appropriately. Approval had also been

given by the DCSF, and the Panel confirmed it was happy with the conduct of the process. It was also noted that the school, governors and parents were generally excited about the new facility.

AGREED

That the update on the Little Build Project be noted.

PROGRAMME OF MEETINGS AND TOPICS

699 SCRUTINY PROGRAMME 2010/11 & REVIEW OF FORWARD PLAN

AGREED

That the following two items be included in a future agenda for review:-

- Sustainable Procurement Strategy
- Shared Legal Services

700 ANY OTHER URGENT BUSINESS

No items of urgent business had been previously notified to the person presiding.

701 DATE AND PREVIEW OF NEXT MEETING

The next meeting of the Panel would be on either Wednesday 12 or Thursday 13 January 2011 (to be confirmed) to review draft proposals for the 2011/12 budget.

702 EXCLUSION OF PUBLIC AND PRESS

It was

RESOLVED

- (i) That the public and press be excluded from the meeting during discussion of the following business in accordance with Procedure Rule 239 (Exclusion of Access by the Public and Press).
- (ii) That any elected Members present who were not members of the scrutiny panel be allowed to remain during consideration of the following exempt business in accordance to the access to information provisions of Procedure Rule 239.

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Mrs Brambini, Ms Dring and Mr Tomlinson left the meeting at this stage. In the absence of the Democratic Services Officer, the Chief Executive took notes for the remainder of the meeting.

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703 TERMS AND CONDITIONS REVIEW

- Mrs Briggs updated the panel on the proposals
- Indicative savings target of £500k
- This would be reviewed when the LG settlement had been reviewed in detail
- Three areas being looked at:-
Sick pay, Car Allowances and Contracted Hours
- Noted there would be formal consultation with staff
- Scrutiny supported the work being done to support staff on low income

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The Chairman closed the meeting at 9.05pm.

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