



Minutes of a meeting of the **SPECIAL RESOURCES SCRUTINY PANEL** held in the Council Chamber, Catmose, Oakham, at 7.00 pm on Thursday, 12 June 2014.

Present: Mr J M Lammie - Chairman (in the Chair)
Mr W J Cross
Mr D C Hollis
Mr B Montgomery
Mr J R Munton
Mr C A Parson
Mr D L Richardson
Mrs C L Vernon
Miss G Waller
Mr A S Walters

In attendance: Mr T C King Portfolio Holder for Places (Development) and Finance
Mr M D A Pocock Portfolio Holder for Places (Environment and Transport) and Resources

Officers present: Mrs D Mogg Director for Resources
Mrs D Greaves Finance Manager Accounting
Mrs A Hawkins Accountant
Miss S Bingham Corporate Support Officer

Apologies: None received

89 DECLARATIONS OF INTEREST

No interests were declared.

99 PETITIONS, DEPUTATIONS AND QUESTIONS

No petitions, Deputations or Questions had been received from Members of the public.

100 QUESTIONS WITH NOTICE FROM MEMBERS

In accordance with the Procedure Rule 219, Mr A S Walters asked the following questions:

“A member of this council has published figures online for the cost of running our IT department over the last several years, and (according to the structure and syntax of his publication) the cost of running it for this year to date.

- 1) *Could we have an explanation of the accuracy of these figures and the comment that they do not include the actual running costs such as*

- salaries?*
- 2) *Could we be told what fraction of the current year we have now reached?*
 - 3) *Do we have figures for the actual costs so far this year?*
 - 4) *What is the forecast out-turn for the department for this complete financial year?"*

In response Mr Pocock - Portfolio Holder for Places (Environment and Transport) and Resources read the following prepared response to each question:

- 1) The figures that have been quoted on line appear to have been taken from the local spending data reports that are published monthly on the Council's website and totalled by calendar year. For those Members that are not familiar with the local spending data reports, on a monthly basis the Council publishes details of the payments made to its suppliers. There are a number of reasons why this data does not provide a complete and accurate picture of the true cost of the Council's IT services:
 - Firstly, not all expenditure is published. For example salary costs and some payments for security systems are not published;
 - Secondly, these reports commenced in September 2010 meaning the figures for 2010 are not for a complete year. In addition, although we now publish all transactions, up until September 2012 only transactions greater than £500 were published.
 - Lastly, the published information simply reports on the payments we have made and does not provide any information on which time period the payment relates to, or which financial year it will be charged to.
 - For an accurate report of the cost of the Council's IT service, Members are advised to refer to the published financial monitoring reports.

- 2 & 3) The Council budgets and publishes its accounts on financial years not calendar years. Because of this we cannot provide an actual versus budget to date on a calendar year basis.

The actual spend to date (including commitments) for the financial year 2014/15 at the end of May was £377,000. This represents 32% of the total annual budget of £1.163m.

However it is important to note that payments to suppliers do not occur evenly throughout the year. For example, many IT contracts run from 1st April to 31st March and are invoiced early during the financial year. This means that we make the payments in April or May for the whole year.

- 4) The forecast outturn for this financial year to the end of March 2015 is currently £1.135m.

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QUARTER 4 FINANCIAL MONITORING & DRAFT FINANCIAL OUTTURN 2013-14

Report No. 133/2014 from the Director for Resources was received the purpose of which was to report on the draft outturn figures (subject to audit) for the financial year 2013/14 and provide an update on the Council's Medium Term Financial Plan (MTFP).

The Chairman, Mr J Lammie, invited the Director for Resources, Mrs D Mogg, to introduce the report.

During the discussion the following points were noted:

- i. The following areas of the report were highlighted:
 - Pg. 2 Summary Revenue Position table, the outturn deficit at quarter 4 for is similar to the forecast at the end of quarter 3.
 - Pg. 4 the Resources Directorate achieved a slight underspend, staff vacancies being the main cause of this.
- ii. The Adult Learning Service is currently under review, the service will be sub contracted in the future which may lead to further savings.
- iii. Pg.16 The Capital Programme is a 5 year programme, looking forward. Further breakdown can be found in appendix 5 and 6.
- iv. Section 106 payments are raised using the normal invoice process, this will mean that once the invoice has been raised it will show as a debt until the payment is made.
- v. Due to the New Homes Bonus Scheme being a Government scheme there is the potential for policy change, which could affect this income. The funding received from the New Homes Bonus Scheme is incorporated into the Medium Term Financial Plan.
- vi. Appendix 4 The Reprographics overspend was due to a higher usage than anticipated. New equipment had recently been purchased and it is still anticipated that savings will be achieved in 14/15.
- vii. Pg. 6 The variance between Quarter 3 and 4 for Oakham Enterprise Park was mainly due to the following:
 - Electricity contract being based on the capacity available as opposed to industrial usage, to change this may result in a loss in capacity long term; therefore, no change will be made to the contract.
 - The gas and water leaks were mainly due to lack of usage, these issues have now been resolved.
 - A Property Surveyor is now in place. Once a letter of intent has been received by potential tenants the surveyor will be instructed; this will reduce any delays previously caused.

- viii. Pg.18 The Discretionary Hardship Fund will be reviewed in 6 months, the take-up in usage has not been high. Introduction of Universal credit is likely to have an impact in the future.
- ix. Pg. 19 Business Rates Appeals are at a high level due to valuations becoming increasingly historic and companies now available to handle the appeal process. Central Government are consulting on changes to the Business Rate process, therefore, there is potential for a reduction in this income.
- x. Confirmation was given that there are currently no plans to recruit to the post of Business Manager. Recruitment to for the post of Director for People is in its final stages, if there is still a requirement for the Business Manager post once the Director of People post has been filled it will be revisited.
- xi. Clarification was given that appendix 4 shows both Approved and Current budget, this is due to changes that take place throughout the quarter, for example, additional funding and funding moving from other areas of the Council. The Medium Term Financial Plan is a live working document.

During the discussion the following points were raised:

- i. Concern was raised regarding Chief Executive and Directors cost centres and what expenditure is covered by them.. Further information will be provided in the next quarterly report.
- ii. Concern was raised that only the Resources Scrutiny Panel has been able to scrutinise this report before Cabinet. It was suggested that either Joint Scrutiny Panels be held for this purpose in the future or this is reviewed for the Programme of Meetings for 2015/16. Chairman will feed this information back to Scrutiny Commission.

AGREED:

That Panel noted the contents of Report No. 133/2014.

102 PERFORMANCE MANAGEMENT REPORT – QUARTER 4 2013-14

Report No. 138/2014 from the Chief Executive was received the purpose of which was to report on the council's Performance for the fourth quarter of 2013/14 and the year to date.

The Chairman, Mr J Lammie, invited the Director for Resources, Mrs. D Mogg, to introduce the report.

During the discussion the following points were noted:

- i. Number of Days lost within the Resources Directorate was due to long term sickness. All staff on long term sick are now back to work.

- ii. Audit indicator has proven hard to measure against. The indicator will be reviewed.
- iii. Freedom of Information requests are on the increase:
 - 2010 – 564
 - 2011 – 643
 - 2012 – 642
 - 2013 – 744
 - 2014 – 546 to date(Calendar years)

Requests are logged and controlled through the Corporate Support team and a significant improvement has been recorded since the new team and procedure was implemented. It is the intention to start to publish responses on the website in a clear and organised way. Officers were commended on the progress that has been made.

- iv. Customer Service Team email resolution indicator is an old target that will be reviewed, further analysis will be available later in the financial year.

During the discussion the following points were raised:

- i. Concern was raised regarding the resilience of the Corporate Support Team, due to late minutes being published. The Corporate Support Team has had a number of staffing changes, however, the team is now making progress and additional training is being put in place.
- ii. Officers were commended on the excellent figures achieved by Customer Services on enquiries resolved at the front desk and on the telephone.
- iii. Concern was raised on the Rutland County Council website, Councilors have had Ward Members contact them as they were unable to locate the information they required from the web. The website is currently being looked at as to how we can resolve queries more effectively. This will be covered in the IT review. Chairman will feed this back at Cabinet.

AGREED:

That the Panel noted the contents of Report No. 138/2014.

103 DATE AND PREVIEW OF NEXT MEETING

Thursday 3 July 2014 – the Chairman reminded the Panel that the Task and Finish Group for Business Rates points of reference will be discussed at the next meeting; if any Panel Members would like to join the group please contact the Chairman.

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Chairman closed the meeting at 8.40 pm

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