



POLICY AND RESOURCES SCRUTINY COMMITTEE

MINUTES OF THE MEETING HELD AT PENALLTA HOUSE, YSTRAD MYNACH ON TUESDAY, 4TH OCTOBER 2011 AT 5.15 P.M.

PRESENT:

Councillor J. Taylor - Chairman
Councillor Mrs M.E. Sargent - Vice-Chairman

Councillors:

H.A. Andrews, D. Bolter, J.B. Criddle, D.T. Davies, L. Hughes, G. Jones, D.V. Poole, D. Rees,
K.V. Reynolds, A.S. Williams

Also Present:

Cabinet Members: Councillors C.P. Mann (Corporate Finance, Procurement and Sustainability), A.J. Pritchard (Leader/Constitutional Affairs), J.E. Fussell (Human Resources)

Together with:

N. Barnett (Deputy Chief Executive), P.G. Davy (Head of Programme HST), P.S. Evans (Head of Information, Communications and Technology Services), G. Hardacre (Head of Human Resources and Organisation Development), C. Jones (Head of Performance and Property Services), D. Perkins (Head of Legal and Governance), N. Scammell (Head of Corporate Finance), J. Jones (Democratic Services Manager), Lynne Donovan (Human Resources Service Manager)

APOLOGIES

Apologies for absence were received from Councillors P.C.W. Bailie, L. Binding, Mrs. V. Jenkins and Mrs M.A. Tucker.

1. DECLARATIONS OF INTEREST

The Head of Legal and Governance advised that, in his opinion, Members who sat on the Castell Mynydd Shadow Board had both a personal and prejudicial interest and should declare this interest and leave the meeting. Members who were council tenants would have a personal interest, and they could take part in the debate and vote, subject to their rent payments being not more than two months in arrears.

Declarations of interest were received at the start and during the course of the meeting as follows: Councillors D.V. Poole, D. Rees, G. Jones and D. Bolter declared an interest in agenda item 6.1, Welsh Housing Quality Standard. Councillors D.V. Poole and D. Rees having a personal and prejudicial interest as Members of the Castell Mynydd Shadow Board. Councillor D. Bolter having a personal interest as a council tenant and Councillor G. Jones having a personal interest as Member of a Tenant Group.

2. MINUTES

RESOLVED that the minutes of the last meeting held on 19th July 2011 (minute nos. 1 - 10, on page nos. 1 - 4) be approved as a correct record and signed by the Chairman.

3. MATTERS ARISING

A Member asked when the report requested on the Valleys Regional Equality Council's monitoring report would be presented to Committee. Mr D. Perkins confirmed the report would be included on the committee's next agenda.

4. CALL-IN PROCEDURE

There were no matters referred to the Scrutiny Committee in accordance with the call-in procedure.

5. CABINET REPORTS

The Cabinet reports listed on the agenda had not been requested to be brought forward for review at the meeting.

6. REPORT OF THE CABINET MEMBER FOR CORPORATE FINANCE, PROCUREMENT AND SUSTAINABILITY

Councillor Colin Mann, Deputy Leader and Cabinet Member responsible Corporate Finance, Procurement and Sustainability gave a verbal report to Members and made reference to the introduction of the Employee Salary Sacrifice Car Scheme. To date 92 low emission vehicles have been ordered producing a CO2 saving of 30.2%. The scheme provider, Tusker Direct, report that the take up amongst employees is better than expected.

Members thanked the Cabinet Member for his report.

REPORTS OF OFFICERS

Consideration was given to the following reports.

7. WELSH HOUSING QUALITY STANDARD

Councillors D.V. Poole, D. Rees, G. Jones and D. Bolter declared an interest in this item. Councillors D.V. Poole and D. Rees having a personal and prejudicial interest as Members of the Castell Mynydd Shadow Board left the meeting for this item. Councillor D. Bolter having a personal interest as a council tenant and Councillor G. Jones having a personal interest as Member of a Tenant Group remained in the room.

The report outlined the timescale for the Council to meet the Welsh Housing Quality Standard (WHQS). In early 2010 Council took the decision to ballot tenants on stock transfer to a new Registered Social Landlord, subsequently named Castell Mynydd. The consultation process with tenants is governed by the Housing Act 1985 and Statutory Guidance issued by Welsh Government.

Members were informed that the Offer Document was based on Castell Mynydd achieving WHQS by the end of 2017, 5 years from the assumed date of transfer. The HRA business model generates surpluses from year 6 onwards and over 30 years there are net surpluses.

Further financial modelling has demonstrated that if the planned investment programme to achieve WHQS was profiled over a longer period to 2019-20 a financial strategy that would be affordable to the Council and that will not impact on other services is possible and deliver WHQS just two years later than Castell Mynydd. Furthermore this plan would be able to match all the commitments within the Offer Document.

It was explained the Independent Tenant Adviser (ITA), appointed by the Council as an independent source of advice for tenants on the stock transfer process, has made representations to the Welsh Government as to whether the additional information relating to the Council's 2019-20 retention plan was so fundamental that the Stage 1 (formal consultation) process should be suspended to allow the Offer Document to be amended and reissued as part of a new Stage 1. Officers explained that advice had been sought from the Council's external legal adviser. An opinion had been given that, subject to the formal adoption by the Council of the 2019-20 retention plan as the WHQS plan to be implemented in the event of a no vote in the ballot, the intention to provide additional information on this matter to tenants would not breach the legislation or Statutory Guidance.

Members were informed that other representations had been made to Welsh Government but the Council had not been informed of the content.

Members discussed the report and sought clarification on the matters raised by the ITA. It was proposed that the recommendation contained in the report be supported to ensure that tenants are given all the necessary information to enable tenants to make an informed choice in the ballot.

The Scrutiny Committee endorsed the recommendation to Cabinet contained in the report.

8. TREASURY MANAGEMENT AND CAPITAL FINANCING PRUDENTIAL INDICATORS MONITORING REPORT - 1ST QUARTER 2011/2012

The report outlined details of the Treasury Management activities and Capital Financing together with the related Prudential Indicators from 1 April 2011 to 31 July 2012. The report also sought Members views on a number of issues as part of the Treasury management Strategy for 2011/12.

The Head of Corporate Finance explained that the Council's investment portfolio is currently held in low risk positions. This provides a low level of return but the risk to the capital sums invested is minimised. The report outlined a number of possible changes to the Council's Treasury Management Strategy to improve the interest received from the authority's investment portfolio.

Members were informed that £6.1m had been received in respect of the Heritable Bank, representing 60.416% of the total outstanding. A further dividend is expected during October 2011 but the amount has yet to be confirmed. The decision by the Landsbanki Winding-up Board to give local authority deposits priority status is subject to an ongoing appeal to the Icelandic Supreme Court.

Members discussed the report and recommended to Council that in order to improve the return on the Councils invest portfolio the following action is taken:

- a. The number of Call Accounts is increased to 3 and the limit of each Call Account is increased to £10m.
- b. Reinstate lending to other local authorities and extend the maximum period for deposit from 3 to 6 months.
- c. Extend the maximum period for T-Bill deposits from 3 to 9 months.

9. BUDGET STRATEGY - VACANCY MANAGEMENT

The report provided Members with an update on the vacancy management strategy adopted in accordance with the authority's 2009/10 budget approved by full Council in March 2009. Members had requested an annual report be brought to the committee on the number of posts deleted. The posts deleted during 2010/11 were outlined in the report. The Head of Human Resources and Organisational Development explained that the term 'vacancy management' included not only the process of deleting posts but also about the delay in filling posts and restructuring and rationalising structures. This approach aimed to avoid the need for compulsory redundancies.

Members discussed the report and members sought clarification on a number specific posts included in the report. Officers advised that the data was correct as at 31st March 2011. The position of externally funded posts was raised and the Head of Human Resources and Organisational Development explained that some externally funded posts had not been renewed which resulted in contracts of employment coming to an end.

The Scrutiny Committee noted the contents of the report.

10. SICKNESS ABSENCE FIGURES

Members agreed to move the report forward for discussion from agenda item 9.1.

The Head of Legal and Governance advised that since the report had been drafted, the information relating to sickness absence levels of other Local Authorities had been published. Therefore, the report could be discussed without the need to consider it exempt from disclosure.

The Scrutiny Committee endorsed the Head of Legal and Governance's recommendation.

The report provided Members with an update of sickness absence figures within the Council. Following a previous requests from the committee, the report provided details of the reasons for absence and, where possible, comparison data from other local authorities.

A Member asked for the reason that the number of referrals from the Council to Care First were declining at a time when other Care First clients were seeing a general increase in referrals. The Head of Human Resources and Organisational Development explained that the Council had been successful in providing training for managers to identify signs of distress and providing early intervention support for staff. It was agreed officers would investigate if, in future, it would be possible to provide a further breakdown of the absence category 'Stress, depression, anxiety, neurasthenia, mental health and fatigue'.

Members were advised that although work place stress was not currently on the increase with the authority, increased musculo-skeletal problems were being reported and work was ongoing to investigate this issue.

In response to a Member asking what was being done to reduce sickness absence, the Head of Human Resources and Organisational Development informed Members that sickness absence figures for the previous month stood at around 3%. This was a significant improvement and was comparable to the private sector average of 2.5% to 3%. It should be noted that 41% of staff incurred no sickness absence during the last year. However, the Council would focus on helping those on long term sickness absence to return to work through positive intervention.

Finally, officers agreed to a Member's request that the 'FTE Days Lost' data be rounded up to the nearest whole number.

The Scrutiny Committee noted the contents of the report.

11. REQUESTS FOR AN ITEM TO BE INCLUDED ON THE NEXT AVAILABLE AGENDA

The following requests for reports to be prepared for consideration at a future meeting of the Scrutiny Committee were made as follows:

1. Councillor D. Poole requested a report outlining the expenditure incurred on consultants from all disciplines, regardless of the method of payment.
2. Councillor K.V. Reynolds requested a report on the success of the apprenticeship scheme approved as part of the Council's 2011/12 budget strategy.
3. Councillor H.A. Andrews requested a report on the Bright Ideas Scheme.
4. Councillor D. Rees requested a report on the number of granted funded posts that have been issued with notice of redundancy.

12 INFORMATION ITEMS

The following reports were received and noted:

1. Workforce Information Report;
2. Equalities Training Annual Report 2010-2011;
3. Discretionary Rate Relief Applications;
4. Regulation of Investigatory Powers Act 2000;
5. Capital Outturn 2010-2011;
6. Budget Monitoring 2011-2012 - Corporate Services and Miscellaneous Finance;
7. National Non-Domestic Rates Liability 2005-2010 - A Member highlighted the National Non-Domestic Rates Liability 2005-2010 report and highlighted the significant savings that had been achieved in non domestic rates. Members expressed their gratitude to the officers involved;
8. Policy and Resources Scrutiny Committee Forward Work Programme;
9. Minutes of the Pensions/Compensations Committee held on 12th July 2011;
10. Minutes of the Pensions/Compensations Committee held on 20th September 2011.

The meeting closed at 6.50 p.m.

Approved as a correct record, and subject to any amendments or corrections agreed and recorded in the minutes of the meeting held on 4th October 2011, they were signed by the Chairman.

CHAIRMAN