



POLICY AND RESOURCES SCRUTINY COMMITTEE

MINUTES OF THE SPECIAL MEETING HELD AT PENALLTA HOUSE, YSTRAD MYNACH ON TUESDAY, 17TH JUNE 2014 AT 5.30 P.M.

PRESENT:

Councillor H.W. David - Chair
Councillor S. Morgan - Vice Chair

Councillors:

L. Binding, C.J. Cuss, Miss E. Forehead, J.E. Fussell, C. Hawker, Ms J.G. Jones, G. Kirby,
A. Lewis, C.P. Mann, R. Saralis, Mrs J. Summers

Cabinet Members:

Mrs C. Forehead (Cabinet Member for HR and Governance/Business Manager), Mrs B. Jones
(Corporate Services)

Together with:

N. Scammell (Acting Director of Corporate Services and Section 151 Officer), C. Jones (Head of Performance and Property Services), G. Hardacre (Head of Workforce and Organisation Development), S. Harris (Acting Head of Corporate Finance), P. Lewis (Development Manager), S. Pugh (Corporate Communications Manager), D. Titley (Customer Service Manager), J. Jones (Democratic Services Manager) and R. Barrett (Committee Services Officer).

1. APOLOGIES

Apologies for absence were received from Councillors D.M. Gray, D. Rees and J. Taylor, together with Cabinet Member G. Jones (Housing).

2. DECLARATIONS OF INTEREST

There were no declarations of interest received at the commencement or during the course of the meeting.

3. CORPORATE SERVICES MEDIUM FINANCIAL PLAN 2015/16 AND 2016/17 – ITEMS FOR CONSIDERATION

The Chair introduced the evening's proceedings, which sought Members' comments on a number of proposed savings and efficiencies within the Corporate Services Directorate, as part of the Medium Term Financial Plan (MTFP) for 2015/16 and 2016/17.

The meeting formed part of a comprehensive timetable of meetings within the Authority relating to the budget planning process and those present were informed that the primary purpose of the meeting was for Members to be advised of, and debate a wide range of potential cuts/efficiency options.

The Acting Director of Corporate Services emphasised that the aim of the first round of special Scrutiny meetings was to seek Members' initial views on the savings and efficiencies proposed for the next two financial years, further to definitive proposals emerging at a later point in 2014 for consideration at that time. Members were advised that they could take the opportunity to ask questions and seek clarification on the proposals, with all requests for further information required by the end of the first round of Scrutiny meetings.

REPORTS OF OFFICERS

Consideration was given to the following reports.

4. APPRENTICESHIP BUDGET – OPTIONS APPRAISAL ON SAVINGS

Gareth Hardacre, Head of Workforce and Organisation Development, presented the report, which sought Members' views on the potential budget saving options available within the Apprenticeship Budget, as part of the Medium Term Financial Plan.

Members were advised that the internal apprenticeship budget to support the employment of apprentices was established at £485,000 per annum in 2011, and that there had been significant underspends in the subsequent financial years. This was due to the scheduling dates of apprenticeships and a desire where possible to utilise department base budgets to create long term sustainability. The reserve value of the cumulative underspends currently stood at £697,000. The report therefore examined in further detail whether the budget could be reduced or removed completely as part of the agreed budget strategy for 2015/16 and 2016/17.

Members were presented with three options for consideration, including continuation of the scheme with funding maintained at current levels but with a budget realignment, withdraw the scheme completely from April 2015 and use the reserves to fund apprenticeships committed beyond year-end, or a phased reduction of the scheme to a core budget of £150,000 by 2017/18, using the reserves of £697,000 to maintain current provision. This would achieve a saving of £345,000 per annum,

Discussion of the report ensued and it was confirmed that the budget was also used to support training placements within the Passport Programme. Officers clarified the impact that funding cuts on the number of apprenticeships within the Authority, and identified the destinations of apprentices following completion of their placements. The success of the apprenticeship scheme was also discussed, with Officers confirming that the scheme had delivered a number of positive outcomes in providing support to young people who had previously experienced barriers in terms of career opportunities, work experience, training and development.

Following discussion of the report and the three potential options, an amendment to Option C was moved and seconded, in that a review of the reduced scheme be undertaken prior to 2017/18. By a show of hands and the majority present, Members supported the amended version of Option C of the report:-

- c. A phased reduction of the scheme to a core budget of £150,000 per annum by 2017/18, using the reserves of £697,000 to maintain current provision. This will achieve a saving of £345,000 per annum. A review of the reduced scheme to be undertaken prior to 2017/18.

5. COMMUNICATIONS UNIT SAVINGS PROPOSALS 2015/16

Paul Lewis, Development Manager, presented the report, together with Stephen Pugh, Corporate Communications Manager, which sought Members' views on the proposed budget savings from the Communications Unit for 2015/16.

Members were advised that the Communications Unit provides professional communication and marketing support to all departments across the organisation. However, in that it is considered to be a discretionary service, and savings are required across all such services as part of the Medium Term Financial Plan, the report outlined two potential savings options for consideration.

Option 1 (Non-Staffing) proposed ceasing the production of the printed version of the Council's Newline paper, reverting to an electronic-only format, with potential savings of £50,000. Option 1 also proposed to cease the delivery of a Twinning function and withdraw from exchange visits and activities between partner countries. The Authority would continue to observe its Twinning partnerships, but in a passive manner only.

Option 2 (Staffing) outlined the current staffing structure within the Communications Unit, including those functions delivered by a single member of staff. Members were informed that further staffing cuts in these areas would lead to the deletion of the function and it was therefore not recommended that any savings were considered in these areas. The Communications Manager confirmed that the department had downsized significantly in 2009 with a stable structure of 15 staff since that time.

Members felt that they were unable to consider and support the proposed savings within Option 2 (Staffing) of the report, and subsequently discussed and explored Option 1 (Non-Staffing) in more detail.

Detailed discussion ensued regarding the printing and distribution of Newline, with a number of suggestions provided by Members as to how to facilitate savings in this area. These included an option for residents to 'opt in' to receive Newline and for bulk drops to be placed in centralised community locations such as libraries instead of delivering to residences, which could reduce printing and distribution costs. The feasibility of proportionally printing and distributing separate English and Welsh copies was queried. Members were advised that guidance would have to be sought from the Policy Unit before this could be considered further. Concerns were raised that reverting the publication to an electronic-only format would result in residents without computer access being unable to receive the information contained within Newline.

The matter of ceasing the Twinning function was discussed and Members queried the budgetary requirements relating to this area. Officers clarified that whilst the report proposed the deletion of the Twinning budget, which had dwindled from around £30,000 down to £5000, they would still continue to passively facilitate Twinning activities.

Following discussion of the report and the proposed budget savings, an amendment to Option 1 was moved and seconded, in that the Twinning budget be removed and the status quo be maintained in regards to Newline. By a show of hands and the majority present, Members endorsed the ceasing of a Twinning budget (with Officers instead facilitating and supporting twinning activities within the community) and that the status quo be maintained in regards to Newline.

6. HELP FOR PENSIONERS WITH THEIR COUNCIL TAX

Stephen Harris, Acting Head of Corporate Finance, presented the report, which set out the new funding arrangements for the 'Help for Pensioners with their Council Tax' Scheme and presented a range of options in respect of financial years commencing on or after 1st April

2015. This scheme is listed as a discretionary service, in which savings are required as part of the Medium Term Financial Plan,

The report informed Members that since 2009, the Welsh Government (WG) has issued a grant to each council tax billing authority in Wales to enable them to provide pensioners satisfying certain criteria with assistance towards payment of their council tax. From 2014/15, WG has placed the funding for this scheme within the Revenue Support Grant but it had not been ring-fenced. Therefore, it is for each billing authority in Wales to decide whether to use this funding to operate the same scheme, a different scheme or alternatively choose not to operate such a scheme.

Members were asked to consider four different proposals regarding the future of the assistance scheme, effective from 1st April 2015. These included continuing the scheme at the 2013/14 level, withdrawing the scheme completely with a maximum saving of £246,000, reducing the grant level by 50% from 1st April 2015 onwards, or reducing the grant level by 50% from 1st April 2015 onwards and then withdrawing the scheme completely from 1st April 2016.

Discussion ensued regarding the assessment criteria listed within the report and the options for consideration. Following a number of detailed questions examining a number of possible scenarios and, by a show of hands, Members unanimously determined that they were unable to support the options listed at the present time. Further information was requested on each of the proposals with a view to increasing the age criteria. It was arranged for the matter to be debated at a further special Scrutiny meeting on 24th September 2014.

7. OPTIONS FOR SERVICE REDUCTIONS WITHIN CUSTOMER SERVICE CENTRES

Paul Lewis, Development Manager, and David Titley, Customer Service Manager, presented the report, which provided two options for service changes with Customer Services as part of Medium Term Financial Plan savings for 2015/16 and 2016/17. The report advised that this service is a discretionary area in which savings are required.

The report informed Members that the Council currently operates six Customer Service Centres offering an “in-person” service in communities across the County Borough, and that two options were proposed for reducing the level of service provision.

Option 1 would generate a potential annual saving of £95,351 with a limited impact on customers and communities. This proposed the closing of Pontllytyn Customer Service Centre, withdrawing the cash desk service within Newbridge Library and relocating Blackwood Customer Services Centre into Blackwood Library. The implications of this option included a displacement of workload to other Customer Service sites, together with a one-off cost of approximately £200,000 to relocate the Blackwood site.

Option 2 would generate a larger saving of £239,281 but would have a greater impact on customers and communities, including potential risks to other service areas. This proposed the closure of all cash desks and Customer Service Centres apart from the one based in Penallta House. The implications of this option included staffing reductions and vacancy management, together with a significant proportion of customer contact being displaced to the remaining Penallta House site and also to other service areas.

Detailed discussion ensued regarding the report, with particular concerns raised in regards to the proposal to close Pontllytyn Customer Service Centre and the impact on residents living within that catchment area. It was clarified that some of this loss of provision would be offset by the new Mobile Customer Service Centre and that Pontllytyn could be added to the schedule of communities covered by this new service

The capital costs and projected customer usage of the new Mobile Customer Service Centre were clarified and it was arranged for the running costs of the new service to be provided to Members. Promotional work to raise public awareness of the service was currently underway and Officers anticipated that the service would encapsulate a wider customer base than a fixed location.

Public accessibility issues were raised regarding the relocation and closure proposals. Members raised concerns that a relocation of Blackwood Customer Service Centre to Blackwood Library would result in a loss of accessibility for customers, compared to its current location within the high street. Regarding proposals to close all Customer Service Centres except for Penallta House, Members raised concerns about the limited public transport available to access the site. Officers advised that there were a wide range of alternatives for customers who wished to use a service within the Authority but found access difficult, including an on-line and telephone payment facility. The report also advised that payments to the Authority could alternatively be made through the Post Office.

Officers confirmed that a full consultation process with residents would take place ahead of the implementation of any of the listed proposals.

By a show of hands and the majority present, Members determined that they were unable to support either of the options listed in the report. Officers confirmed that they would present further information relating to these proposals at a special Scrutiny meeting on 24th September 2014.

8. PONTLLANFRAITH HOUSE

Colin Jones, Head of Performance and Property Services, presented the report, which proposed the closure of the Council's corporate office, Pontllanfraith House, as part of the Council's land and buildings asset rationalisation programme.

The report informed Members that although the building is constantly managed to mitigate/reduce any risks to building users and maintain a safe operating environment, there are a number of issues that need addressing, including major works outstanding to the roof, windows, external cladding and heating/ventilation system. This is compounded by the presence of asbestos which prevents upgrading of the IT supply, as cabling cannot be threaded within the roof space. The main electrical distribution equipment is now 36 years old and requires replacement to current standards, and this again is complicated by the presence of asbestos. Refurbishment costs would be in the region of £5m.

The report advised that all 400 staff currently housed in Pontllanfraith House could be relocated within other Council buildings, with approximately 328 workstations available across 6 sites. It was estimated that based on the Council's expected occupation rates, this would accommodate 410 staff, as not all staff within Pontllanfraith House are office-based for all of the day.

Members raised concerns that the proposed closure would have a negative impact on the surrounding community and be unpopular with residents wishing to access the Council's services. Officers reiterated the numerous health and safety issues as detailed in the report and advised that there were now only a limited number of public-facing services operating from Pontllanfraith House. Members were reminded of the numerous alternative methods of communicating with the Council, including email, social networking sites, libraries and Customer Contact Centres across the county borough.

Members queried whether an alternative Council premises could be closed instead and it was confirmed that of the Council's corporate buildings portfolio, Pontllanfraith House was the one requiring the greatest extent of repair works. It was also confirmed that budgetary restraints made it unlikely that the refurbishment funds of £5m would become available.

Concerns were raised as to whether departments would be split as a result of staff relocation and Officers confirmed that plans would be put in place to keep any such occurrences to a minimum. It was reiterated to Members that the intent of the proposed closure was to produce a saving as part of the Medium Term Financial Plan, but that it was not a redundancy drive and that all staff would be relocated appropriately. It was also confirmed that the proposed closure would make use of existing flexible working practices but would not lead to a change in the policy.

Queries were raised in regards to the consultation process to date, and it was confirmed that whilst this had not yet commenced, a number of staff had already raised concerns regarding the asbestos issues. Officers confirmed that subject to the report being approved in principle, a full consultation would be undertaken and the findings incorporated into a future report for consideration by Cabinet. Members also requested that further information be provided relating to the asbestos issues and the condition survey of the building.

Following detailed consideration of the report, and by a show of hands and the majority present, Members endorsed the principle to begin a consultation to close Pontllanfraith House.

The meeting closed at 8.22 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 5th August 2014, they were signed by the Chair.

CHAIR