

THE OVERVIEW AND SCRUTINY COMMITTEE

23 September 2013

Attendance:

Councillors:

Pines (Chairman) (P)

Byrnes (P)
Cook (P)
Evans
Gemmell (P)
Hiscock

Power (P)
Sanders (P)
Scott (P)
Stallard (P)
Wright (P)

Deputy Members

Councillor Tod (Standing Deputy for Councillor Evans)

Others in attendance who addressed the meeting:

Councillors Wood (Leader)
Councillor Godfrey (Portfolio Holder for Finance & Organisational Development)
Councillor Miller (Portfolio Holder for Business Services)
Councillor Laming

1. **DISCLOSURE OF INTERESTS**

Councillors Stallard and Tod declared disclosable pecuniary interests in respect of Report CAB2505 due to their role as a Hampshire County Councillors respectively, as the report contained references to services delivered by the County Council. Councillor Stallard also declared a disclosable pecuniary interest in respect of Report OS83. However, as there was no material conflict of interest regarding the items, both Councillors remained in the room and spoke and voted under the dispensation granted by the Monitoring Officer on behalf of the Standards Committee.

2. **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman reported that he intended to discuss further with officers his proposals for changes to the Council's scrutiny arrangements. He also advised that he would report to the Committee the outcomes of a forthcoming meeting of Group Leaders and senior officers to consider further the outcomes of the LGA Peer Review (in respect of a review of the Council's governance arrangements) and also the Local Government Boundary Commission review.

The Chairman requested that Members consider potential ideas for in-depth scrutiny as part of batch 5 Informal Scrutiny Groups.

The Chairman also reminded Members of the Committee that they should endeavour to resolve queries on matters contained in reports directly with officers outside of meetings. This would help expedite Committee meetings and focus discussion.

Finally, the Chairman reminded Members that, in addition to other agenda items coming forward, he intended to have particular focus on important topics for scrutiny at forthcoming meetings. This meeting would scrutinise the River Park Leisure Centre proposals (Report CAB2505 refers), the next meeting in October would refer to the Environmental Services contracts and the December Committee would discuss Community Safety issues.

3. **PUBLIC PARTICIPATION**

Ms E Back (Winchester Fit for the Future) spoke regarding CAB2505 and her comments are summarised under the relevant agenda item below. Councillor Laming also spoke with regard to this item.

4. **MINUTES**

RESOLVED:

That the minutes of the previous meeting of the Committee held on 1 July 2013, be approved and adopted.

5. **CAPITAL STRATEGY 2013** (Report CAB2510 refers)

The Chief Operating Officer advised that Cabinet approved the Strategy and that it would not be referred to full Council for approval as no significant changes were proposed from the previously agreed Capital Programme. The Committee's comments would be taken into account as part of the consideration of budget options.

Councillor Godfrey emphasised that there was to be less government subsidy to the Council in future years and that it would be necessary for the Council to maintain services as a consequence of this, whilst minimising the burden to the tax payer. Councillor Wood reminded the Committee that increasing the revenue return from Council owned assets was part of the key to addressing this shortfall.

During further discussion, Councillor Godfrey explained that the Asset Management Plan informed the Council's maintenance programme and corresponding financial commitments over the next three years. He clarified that

IMT was provided for within the revenue budget to ensure the necessary capital investment in this area.

The Committee suggested that, where possible, a longer term view should be taken with regard to the likely impact of assets on the capital and revenue account as well as future income and expenditure as a consequence of capital projects. Members also suggested that risk management issues with regard to capital projects be better reflected within the Strategy – for example, previously unforeseen repair requirements of buildings could have significant resource implications.

The Chief Executive drew attention to Section 4 of the Capital Strategy (page 4 of Appendix A to the Report refers). This highlighted that the Capital Programme and Strategy should be seen as part of a wider picture of the organisation's financial planning. He suggested that the Strategy established a framework for the next 12 months by drawing out some of key areas requiring capital investment, and the likely consequential impact on revenue spend.

RESOLVED:

That the draft Capital Strategy for 2013 be noted.

6. **FINANCIAL STRATEGY 2014/15 - 2018/19**
(Report CAB2502 refers)

The Chief Executive clarified that regular budget and performance monitoring of all service areas helped draw out those areas that might require a need to invest more resources. More significant or permanent additional resources might necessitate a budget growth option to be put forward.

The Chief Finance Officer responded to queries with regard to the detailed financial information in the appendices to the Report. An existing 3.4% discount for National Insurance contributions was to be removed for all employers from April 2016 due to changes in the state pension scheme and this was likely to have the effect of increasing the cost to be incurred by the Council from this time.

During further discussion, Councillor Wood reiterated that the Strategy identified the need for longer term savings and additional future income, which were necessary for the organisation to continue to achieve balanced budgets in the future.

RESOLVED:

That the Financial Strategy 2013 be noted.

7. **RIVER PARK LEISURE CENTRE – CONSIDERATION OF REPLACEMENT FACILITY**

(Report CAB2505 refers)

Councillor Wood stated that Cabinet had approved the recommendations and drew attention to the significant work undertaken to date which had included analysis of consultation and outcomes of discussions with various partners. It was hoped that a decision as to how to proceed would be made soon. A public meeting was also scheduled for 26 September 2013.

At the invitation of the Chairman, Ms E Back (Winchester Fit for the Future) addressed the Committee and emphasised the importance of on-going investment in sporting facilities. She queried whether due consideration had been given to partnership working so to achieve the best possible outcome, at the least cost to the public. Ms Back suggested that the Council should not just take advice from DC Leisure and that it should engage the expertise of others. Ms Back referred to the core facilities for the new provision as set out at paragraph 2 of the Report and she queried whether these were likely to achieve future key strategic sporting requirements for Winchester. She suggested that additional features should be included, which would provide additional flexibility in the facility for a range of sporting activities. These should include a 50m community pool, a 12 court sports hall and a gymnastic/trampoline facility. The pool could be flexible in terms of its depth and lane usage. She considered that it would be used for 25 hours per week in 50m mode. Finally, Ms Back referred to Bar End as potentially the preferable location and suggested that Savills had not fully investigated all land holdings close by and had seemingly only focussed on the King George V playing fields.

At the invitation of the Chairman, Councillor Laming addressed the Committee. He stated that as the footfall to the existing facility was reasonably modest at 530,000 visits per annum (compared to 700,000 at Fleming Park, Eastleigh). Any increase from an improved facility at North Walls was likely to cause congestion problems due to its town centre location. Councillor Laming also queried whether the Council had explored potential partnership opportunities to help keep future running costs to a minimum.

The Chairman thanked Ms Back and Councillor Laming for their comments and advised that the Committee would have regard to the points raised during its consideration of the Report.

The Chairman suggested that the Committee focus its questioning and discussion on Cabinet's consideration of the following points: the different site options; the mix of facilities proposed; the costs over the life of the new provision; and the future management arrangements.

Councillor Wood responded to questions and clarified that renovation of the existing leisure centre had previously been considered as an option, but was not

favoured. With regard to the siting of a newly built provision, he advised that Bushfield Camp had been rejected due to planning considerations and the Cattle Market site was also unsuitable. Bar End did not present the best planning option due its location outside the urban area. In addition, Councillor Wood reminded the Committee that even if Tesco decided to release the Garrison Ground playing fields currently in their ownership, the likely cost implications would be prohibitive. The Committee asked that information on land ownership of all holdings at Bar End be provided, together with planning and highways advice on Bar End and River Park, to inform the final decision.

A Member questioned whether the proposed new facility was too large for Winchester to support and suggested that it would be preferable to renovate the existing building.

Councillor Wood responded to questions related to potential partnership working to deliver a scheme, with the possibility of utilising County Council Museums land holdings close by; however he highlighted that this was not currently available.

The Chief Executive clarified that the City Council, the County Council and the University remained committed to delivering improvements to Winchester's sporting facilities as part of the Olympic legacy. However no financial contributions from potential partners had been made available to support this initiative. The Chief Executive also advised that the proximity of a new centre at Bar End to the M3 motorway was likely to cause concern to the Highways Agency.

Councillor Wood referred to the need for the new Leisure Centre to achieve a good income to the Council. Therefore, seeking professional advice from DC Leisure was appropriate as they were experienced commercial operators. This information was part of an overall package of consultants' advice (also including Savilles and Continuum) and would be analysed further in helping the Council make an informed decision. Furthermore, he reiterated that seeking advice from DC Leisure was not demonstrating any commitment to them to manage the future new centre; rather, its data and expertise would be taken into account, as well as other information, as the Council made its own assessments to ensure that the new facility operated as commercially as possible. Further to this, Councillor Wood stated that he would expect initial cash flow predictions for the new centre to demonstrate that it would make a surplus within five years. The Committee noted that DC Leisure represented a particular model of leisure centre management and that alternatives should also be properly investigated. A future report should also outline the existing contractual arrangements with DC Leisure.

The Committee referred to the financial appraisal within the Continuum Report and was concerned that this was not sufficiently detailed enough to inform any future decision of the Council. The Chief Executive clarified that significantly more work was required in this area. Councillor Wood reminded the Committee

that a future facility was likely to be limited in scope due to costs; he did not think the Council could afford a scheme in the order of £25-30 million. The Council was required to strike a balance with regard to what could be afforded, what return could be gained and the provision of a centre that met the majority of residents' needs.

The Committee referred to the financing of constructing a new centre and Councillor Wood reminded Members that a decision to proceed without delay would be necessary in order to take advantage of historically low interest rates for the necessary borrowing which currently could be fixed for the life of the build. An increase in rates might make borrowing too expensive to the Council.

RESOLVED:

That the Leader and Cabinet have regard to the comments of the Committee raised during discussion, as set out above.

8. REVIEW OF LOCAL COUNCIL TAX REDUCTION SCHEME
(Report CAB2509 refers)

The Committee was pleased to note that Cabinet had approved the recommendations to further increase the weekly earned income disregards with regard to the localised Council Tax Reduction Scheme.

RECOMMENDED (TO COUNCIL ON 8 JANUARY 2014):

THAT THE COUNCIL BE ADVISED THAT THERE ARE NO MATTERS THAT THE COMMITTEE WISHES TO DRAW TO ITS ATTENTION.

9. OUTCOME OF THE COUNCIL'S CORPORATE PEER CHALLENGE
(Report CAB2512 refers)

Councillor Wood reported that Cabinet had approved the recommendations and suggested that the Committee would have a role in monitoring implementation of the Peer Challenge recommendations. The Chief Executive emphasised that it would be appropriate for there to be some refinement of the dates in the Action Plan as each represented significant areas of work. It was agreed that the Committee review progress in six months' time.

The Committee noted that the exercise had flagged up some issues related to communication to staff of priorities and change within the organisation and the Chief Executive acknowledged that there was a need for some improvements in this area.

RESOLVED:

That the Committee review progress against implementation of the Peer Challenge recommendations and action plan in six months' time.

10. **COMPLAINTS RECEIVED BY THE COUNCIL 2012/13**
(Report OS76 refers)

The Head of Business Services introduced the Report and highlighted the reduction of cases referred to the Ombudsman from previous years and also a general improvement to the numbers of complaints in respect of several service areas. He clarified that any areas of concern identified from the monitoring of complaints were swiftly addressed by remedial action taken, where this was appropriate.

The Committee requested that officers continue to look to improvements to the reporting system for complaints to assist Members and Performance Management Team in their monitoring work. This would include additional narrative to identify the key areas of complaints within service areas.

RESOLVED:

That future Reports contain additional narrative in order to identify the key areas of complaints within service areas.

11. **REVIEW OF STATUTORY SERVICES INFORMAL SCRUTINY GROUP – RECOMMENDATIONS**
(Report OS83 refers)

As Chairman of the Informal Scrutiny Group (ISG), Councillor Sanders introduced the Report. He suggested that there might be additional savings to the Council from reducing the number of Members because of a corresponding reduction in the level of some work generated for officers.

During discussion, although the Committee was broadly supportive of the proposals to reduce the numbers of Members of the Council, reference was made to increasing populations in some areas due to new housing developments. There might also be a disparity in the amount of case work for Ward Councillors between some Wards.

With regard to moving to all-out elections every four years, Councillor Wood suggested that this would be likely to assist with continuity of projects, as more frequent elections were often disruptive.

The Chief Executive reminded the Committee that subsequent to the ISG's investigations, the Local Government Boundary Commission had contacted the

Council and would soon be reviewing ward boundaries. Therefore, the proposals within Recommendation 1 would need to be considered as part of the Council's response to this work.

RESOLVED:

That the following recommendations of the ISG be recommended to Cabinet:

1. That Cabinet together with the Leaders of other parties on the Council:
 - i) consider potential changes to the electoral cycle to move to all-out elections every four years, having regard to a potential average annual saving of £45,000 per annum, and the appropriate timing for possible implementation
 - ii) consider a significant reduction in the number of Members of Winchester City Council from 57 to say, 40, having regard to the likely savings of associated base costs of approximately £100,000 per annum plus potential for further cost savings accrued from across the organisation.
2. That having regard to the high gross costs to the Council from providing a Pest Control Service, Cabinet consider the appropriateness, or otherwise, of each the following:
 - (i) increase the level of charges to further offset the costs to the Council from providing the service.
 - (ii) reduce the number of staff responsible for delivering the service.
 - (iii) undertake a service review to look at options to reduce costs further.
3. That in light of the recent legislative changes, with regard to Public Health, Cabinet be asked to review the Council's position with regard to supporting the County Council in delivering its new responsibilities.

12. **THE GUILDHALL AS A COMMERCIAL VENUE INFORMAL SCRUTINY GROUP – FINAL REPORT**

(Report OS84 refers)

Councillor Scott, Chairman of the Informal Scrutiny Group, introduced the Report and advised that he was satisfied that officers had made significant improvements to the management of the Guildhall.

In response to Members questions the Chief Executive indicated that the wider civic and community use of the building meant that it could not be treated as a business that would recover its full costs. The objective was to improve lettings and income to reduce the net cost to the Council of continuing to provide the facility.

RESOLVED:

That the following recommendations of the ISG be recommended to Cabinet:

- 1 That the Guildhall Yard Car Park be offered exclusively to users attending major events held in the Guildhall for a limited number of major events including those held at weekends.
- 2 The arrangements entered into with parking services to enable Guildhall users to park on the top deck of the Chesil Multi Storey Car Park when attending conferences be continued with.
- 3 That the Council continues to operate the Guildhall catering service for the next three years, with a review in December 2016.
- 4 That the Guildhall operate its own banqueting offer alongside that of external catering contractors and that the outside catering contract is re-tendered for a further period of three years to expire in June 2017.
- 5 That tenders be sought by the Head of Estates to secure a range of additional banquet caterers to complement the in-house catering team and to ensure that a varied range of quality and pricing structures are available to serve the banquet catering needs of Guildhall customers.
- 6 That the Guildhall be allowed to erect temporary banners outside the building on the day of or during the week of events to advertise events and to make internal

arrangements for more flexible use of Council display boards for advertising upcoming events.

- 7 That an ISG be established to examine the potential for increased use of Abbey House (whilst retaining it as a Council and Mayoral asset).
- 8 That the refurbishment of the Wintonian Room and Bar is considered and that its use as a public bar at lunchtimes is investigated.
- 9 That the commercial potential of the Guildhall can be further developed by pursuing the future development opportunities identified in paragraph 3.24 of the Report.

13. **SCRUTINY WORK PROGRAMME (REPORT OS71 REFERS) AND OCTOBER 2013 FORWARD PLAN AND ITEMS FOR FUTURE CONSIDERATION**

RESOLVED:

That the Scrutiny Work Programme and Forward Plan for October 2013 be noted.

The meeting commenced at 6.30pm and concluded at 10.10pm.

Chairman