

**THE OVERVIEW AND SCRUTINY COMMITTEE**

**28 October 2013**

Attendance:

Councillors:

Pines (Chairman) (P)

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

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

Deputy Members

Councillor Learney (Standing Deputy for Councillor Evans)

Others in attendance who addressed the meeting:

Councillors Wood (Leader)  
Councillor Godfrey (Portfolio Holder for Finance & Organisational Development)  
Councillor Banister  
Councillor Hutchison

Others in attendance who did not address the meeting:

Councillor J Berry and Councillor Verney

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1. **DISCLOSURE OF INTERESTS**

Councillor Stallard declared disclosable pecuniary interests in respect of Reports OS85, OS86 and CAB2518 due to her role as a Hampshire County Councillor. Councillor Godfrey made the same declaration in respect of Report CAB2518 as a Hampshire County Council employee. However, as there was no material conflict of interest regarding the items, both Members 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 requested that Members consider potential topics for in-depth scrutiny as part of batch 5 of the Informal Scrutiny Groups (ISGs).

The Chairman also announced that, at its meeting held on 23 October 2013, Cabinet had received the recommendations of the Houses in Multiple Occupation Informal Scrutiny Group. However, Cabinet had not supported all of the ISG's recommendations and he therefore requested that its Chairman (Councillor Scott) discuss how to take this matter forward with the remainder of the Group.

3. **PUBLIC PARTICIPATION**

Representatives of the Tenant Landscape Scrutiny Group spoke regarding OS86 and their comments are summarised under the relevant agenda item below. Councillor Banister also spoke with regard to this item.

4. **MINUTES**

RESOLVED:

That the minutes of the previous meeting of the Committee held on 23 September 2013, be approved and adopted.

5. **DEPOT CONTRACT SERVICES ANNUAL REVIEW 2013**  
(Report OS86 refers)

The Assistant Director (Neighbourhoods and Environment) introduced the Report, which set out the performance of the second year of the Environmental Services contract, which was operated in partnership with East Hampshire District Council.

The Assistant Director updated Members on the outcome of the meeting of the Joint Environmental Services Committee held the previous week, which had considered the Report set out as Appendix 1 to OS86. He advised that the meeting had particular regard to performance matters arising from changes to refuse vehicle collection routes and also aspects of shrub and grass maintenance regimes. The Joint Committee had also referred to issues relating to interpretation of the specifications to the contracts and work was underway to seek to resolve these matters.

The Assistant Director also referred to the establishment of the Joint Environmental Services Scrutiny Committee and he referred to suggestions in the Report as to its future operation.

At the invitation of the Chairman, Ms M Gill, Mr J Boyes and Mr T White from the Tenant Landscape Scrutiny Group addressed the Committee.

In summary, the representatives drew attention to their concerns about scheduled work not being carried out to a sufficient standard, an apparent lack of specialised equipment for operatives and of communication issues when requesting feedback when concerns were raised. The Tenant Landscape

Scrutiny Group explained that it had implemented arrangements for Council tenants to monitor the contract at locations across the District.

At the invitation of the Chairman, Councillor Banister (a Ward Member for Olivers Battery & Badger Farm) addressed the Committee. In summary, she highlighted the frustration of residents and Ward Members when requests for assurances about aspects of scheduled work within the contract were not then acted upon. Councillor Banister was therefore concerned that the reputation of the Council might become compromised and also that of Ward Members, who were consequently unable to manage their constituents expectations as a result of this poor communication.

The Chairman thanked the Tenant Landscape Scrutiny Group and Councillor Banister for their comments and advised that the Committee would have regard to the points raised during its consideration of the Report. The Chairman also drew attention to his own survey work recently undertaken, the outcome of which was currently being considered by officers.

The Chairman welcomed to the meeting representatives of the Joint Client Team from East Hampshire District Council: Mr Brian Turner (Joint Environmental Services Client Team Manager) and Ms J Batchelor (Executive Head Environment and Neighbourhood Quality). Also present were representatives of The Landscape Group: Mr T Race (Assistant Director, Operational Support), Mr D Brew (Operations Director) and Mr D Graham (Company Secretary). Biffa Municipal Ltd was represented by Mr D Kenny (Regional Director) and Mr B Ashby (Regional Manager).

Mr Turner (Joint Environmental Services Client Team Manager) explained that he felt that the majority of the main services within the joint contract were performing satisfactory in the second year of operation. Performance under the Contract was regularly reported to the Joint Committee. He reported that some residual issues remained from the mobilisation year and both proactive and reactive remedial measures had been implemented to help to address them. He considered that a monthly monitoring plan had, so far, successfully reversed complaint trends.

The Committee noted that, overall, the performance of Biffa had now reached satisfactory levels. Some collection rounds were nearing capacity and it was explained that this was being proactively investigated, due to significant new housing development coming forward in the two Districts.

With regard to the performance in year 2 of the operation of The Landscape Group, Mr Turner reported that the client team were aware of some issues that had occurred due to bad weather in 2012. Wet weather had significantly impacted on grass cutting regimes. However, the number of cuts (nine) had been reviewed during 2013 and had been adequate for conditions this year. A knock-on effect of the grass cutting issues was deterioration in shrub bed maintenance.

Mr Turner also drew attention to some legacy impact from pre contract dilapidation of shrub beds, which had led to some having been re-categorised. It was hoped that remaining issues would be successfully overcome by April 2014.

Mr Turner reported that The Landscape Group had not completed weed/moss clearance as specified in the contract and, accordingly, a refund would be forthcoming.

Finally, Mr Turner drew Members' attention to the disputed interpretation by The Landscape Group of some of the areas tendered against within the contract specification (particularly with regard to street cleansing); this was currently being investigated. The outcome of this work would be reported to the Joint Committee in November 2013. Mr Turner also explained that changes to the local management of The Landscape Group had taken place in May 2013 and he was satisfied that there appeared to be more a more proactive approach to their work.

The Chairman invited representatives of the contractors to explain their role with regard to the operation of the Joint Environmental Services Contract.

Mr Kenny and Mr Ashby (Biffa Municipal Ltd) reported that that they were satisfied that with a new local management team in place, Biffa had successfully overcome the challenges of the first year of the operation of the contract.

Mr Brew (The Landscape Group) reported on changes to the local management arrangements and also ways in which performance information was being captured, to make the most efficient use of operatives. There had also been investment in training and significant capital investment in equipment. Mr Brew acknowledged that the Contract, to date, had not been delivering financially for the Group but was now moving in the right direction.

Continuing, Mr Brew explained that there had been some specific operational issues, such as grass cutting, which would continue to be problematical to deliver upon, particularly during the peak growing season. The Landscape Group were looking to address issues related to shrub bed maintenance. Some landscaped areas, such as sloped embankments, required safety assessment and recommendations as to how employees could safely deal with them. Complaints related to street cleansing were reasonably low. Operatives would now deliver against a new priority list for areas for leaf clearance taking account of lessons learnt from last year. In conclusion, Mr Brew was satisfied that the operation of The Landscape Group elements of the Contract were improving and moving in the right direction.

The Committee asked a number of detailed questions of officers and representatives of the contractors etc.

Mr Turner advised that the Contract had been specified for what was required 'horticulturally' and therefore what was appropriate at the optimum time.

Therefore, for example, grass cutting could be suspended in time of drought and resources redirected as appropriate. Mr Brew (The Landscape Group) advised that stopping and resuming planned grass cuts might cause operational challenges in some cases.

Members raised concerns about some specific quality issues related to the delivery of elements of The Landscape Group contract. The Assistant Director reminded the Committee that such complaints should be lodged via the Winchester City Council Customer Services Centre. These were then monitored on behalf of both Councils.

A Member suggested that there might be issues related to the supervision of the Contract, as evidenced by residents (including the Tenants' Landscape Scrutiny Group) and Ward Members, who suggested that requests for assurances about aspects of scheduled work within The Landscape Group element of the Contract were then not acted upon. In response, the Assistant Director explained the existing processes to oversee the Contract and that additional strategic performance information would help drive forward further improvements where necessary. The Committee raised concerns about the strategic approach to management of aspects of the Contract related to The Landscape Group, and requested assurances that there was consistency with regard to penalties when performance was unsatisfactory. The Assistant Director advised that the Council's contingency budget for unforeseen operational requirements not included in the Contract had been programmed to end after year 2.

Mr Turner responded to Members' comments that the Council's recycling rates had reduced since the start of the Contract. He detailed how factors beyond the immediate control of both the contractor and the Councils had impacted upon this. This had included the economic downturn, changes to retailers' packaging and also recent changes to regulations with regard to the composting of leaves. Mr Turner also detailed initiatives to promote recycling and he doubted the accuracy of anecdotal reports of operatives deliberately mixing loads.

In response to further discussion, Mr Turner advised that aspects of the Contract were under review, so that any apparent failures were likely to be of a more significant strategic level rather than at detailed operational level. Ms Bachelor advised that a Contract Specification Working Group was also exploring aspects that were potentially 'over engineered', where savings might be achievable and to redeploy resources more appropriately.

Mr Turner also acknowledged that the client team was now better placed to deploy resources to monitor the Contract, as they were more familiar and experienced in its workings. He described a system in place that sampled a random selection of work undertaken. Mr Turner also acknowledged and welcomed the work of the Tenant Landscape Scrutiny Group and advised that East Hampshire District Council sought qualitative feedback from a citizen's panel and also utilised recycling champions within the community.

Mr Brew (The Landscape Group) also welcomed the work of the Tenant Landscape Scrutiny Group, although he explained that ideally they would need to be aware of detailed aspects of the contract requirements when submitting evidence. Mr Race (The Landscape Group) acknowledged some instances of operatives parking on verges and that reinstatement had subsequently taken place where damage had been caused.

A Member emphasised that specific aspects of the Contract were likely to require attention. For example, some streets with a great deal of on-street parking were impossible to sweep properly and, therefore, this aspect of the Contract might need to incorporate prior notification to residents to move their vehicles. There might also be some flexibility necessary with regard to leaf clearance, to have regard to natural leaf fall rather than number of sweeps. The Member also queried whether there was any best practice available from other areas with regard to the managing of communal bins, to help stop contamination and to maximise recycling levels.

In response, Mr Kenny (Biffa) advised that he would investigate any advice with regard to communal areas from across other contracts. Mr Turner reported on some recent intervention work at Knowle Village where evidence of apparent success could be rolled out to other areas. With regard to leaf clearance, it was usually the case that the final leaf fall would be dealt with by the usual road sweeping schedule.

At the conclusion of discussion, the Committee acknowledged the progress made by Biffa Municipal Ltd, however it remained concerned at apparent issues specifically related to the strategic performance of The Landscape Group.

The Committee also welcomed the introduction of the Joint Environmental Services Scrutiny Committee, however, it was agreed that it should be able to report areas of particular and immediate concern direct to the Joint Environmental Services Committee and/or respective Cabinets.

**RESOLVED:**

1. That the performance information in the Report be noted.
2. That Cabinet and the Joint Environmental Services Committee refer to the points raised in discussion as set out above and in particular as follows:
  - (i) concern about aspects of the delivery and supervision of The Landscape Group's grounds maintenance elements of the contract, as evidenced by comments from the Client Team, from residents (including the Tenants Landscape Scrutiny Group) and Ward Members, who suggested that requests for assurances about aspects of scheduled

work within The Landscape Group element of the contract were not then acted upon

(ii) concern about apparent disputes by The Landscape Group of some of the areas tendered against within the Contract specification (particularly with regard to street cleansing)

(iii) concern about the general strategic direction of aspects of the management of the Contract related to The Landscape Group

3. That the following principles are recommended to the Joint Environmental Services Scrutiny Committee for inclusion in the proposed terms of reference:

(i) the Committee report areas of particular and immediate concern direct to the Joint Environmental Services Committee and/or respective Cabinets / Portfolio Holders, or otherwise to the parent scrutiny committees, as appropriate.

(ii) an annual report be produced by the Joint Environmental Services Scrutiny Committee and reported to the parent scrutiny committees of each Council.

(iii) any matters of concern be referred to the parent Councils if requested by resolution by the Joint Environmental Services Scrutiny Committee or by at least two or more Members from either authority.

6. **GENERAL FUND BUDGET CONSIDERATIONS 2014/15**  
(Report CAB2523 refers)

Councillor Godfrey stated that Cabinet would consider the views of the Committee and from other consultees on the content of the Report as part of its detailed consideration on the proposals for the General Fund Budget for 2014/15. Cabinet had considered the Report at its meeting held on 23 October 2013.

Councillor Godfrey advised that the Report set out ideas to reduce recurring costs and to increase income to the Council, so as to contribute towards closing a £5 million gap by 2018.

Councillor Wood explained that the Report set out a balanced budget that was indicative of how the Council could go forward in the process. He clarified that proposed increases to Pest Control Charges were broadly in line with that charged commercially and remained competitively priced.

The Chief Finance Officer responded to a question with regard to the contingency budget for the Joint Environmental Services Contract, this was in place until the end of the financial year, although if thought necessary, the Joint Environmental Services Committee could formally submit growth bids to its respective Cabinets.

The Chief Finance Officer also provided an explanation of the actuarial valuation of the Council's pension liabilities and clarified that provision of the Local Government Pension Scheme to staff was set out in statute. Therefore, the Council was not in a position to be able to offer alternative pension schemes to staff.

During further discussion, Councillor Godfrey acknowledged that the New Homes Bonus was important grant income to the Council. Therefore, increased income from Council owned assets would help offset its eventual loss. He was also satisfied that internal controls within Parking Services would not be compromised following deletion of a vacant post. Councillor Godfrey also clarified that the Government's intention to support further council tax freeze was likely to be a one-off additional grant and this was reflected in the budget forecast.

The Committee referred to the savings to be achieved from possible changes to the number of Members and the electoral cycle. The Chief Operating Officer advised that these could not be achieved until 2016 at the earliest and were dependant upon decisions that had not yet been taken.

The Chief Executive advised that the forthcoming Governance Review was likely to lead to efficiencies in some areas and so further thought would be given to any potential savings that might be achieved.

RESOLVED:

That the Report be noted.

7. **THE FUTURE OF THE MUSEUMS SERVICE: ESTABLISHING A HAMPSHIRE SOLENT CULTURAL TRUST**  
(Report CAB2518 refers)

Councillor Godfrey advised that Councillor Humby (Portfolio Holder for Economic Development) had been unable to attend the Committee.

Councillor Godfrey introduced the Report and advised that the proposals for an independent Trust would achieve improvements to the management of the cultural heritage of the District. The arrangements were necessary in the face of continued cuts to the Council's Revenue Support Grant and should assist in securing other external grants which would otherwise be not available.



During discussion, Councillor Godfrey explained that the Trust would build upon an existing successful Museums Service and would help to continue to attract more visitors to the District and therefore support the Council in achieving the Economic Prosperity outcome of the Community Strategy. It was confirmed that the City Museum would be included in a 'package' of collections and buildings to be leased or licensed to the Trust. The existing skilled museums staff would be transferred to the Trust under TUPE arrangements.

The Committee referred to the need to ensure that the Trust's future governance arrangements were robust and that it was essential to appoint a Chief Executive of appropriate calibre to take the Trust forward.

RESOLVED:

That the Portfolio Holder for Economic Development have regard to the comments of the Committee raised during discussion, as set out above.

**RECOMMENDED :**

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

8. **THE COUNCIL'S ABILITY TO IMPLEMENT ISG RECOMMENDATIONS**  
**INFORMAL SCRUTINY GROUP**  
 (Report OS82 refers)

At the invitation of the Chairman, Councillor Hutchison (Chairman of the ISG) introduced the Report.

Councillor Hutchison drew particular attention to Recommendation 1 of the ISG which stated that the work of the Committee and, in particular, the selection of ISG topics, should reflect a more strategic approach. This was especially important as the Council had fewer resources generally, but also to ensure that the Council continued to generally operate with the correct direction of travel.

The Chief Executive welcomed the recommendations of the ISG and the Chief Operating Officer also advised that a greater focus on fewer higher strategic topics would also assist in resourcing required to support the ISG process.

RESOLVED:

That The Overview and Scrutiny Committee agree the recommendations of the ISG as set out below:

### Selection of topics

1. 'Overview' and 'scrutiny' should be complementary. The Overview and Scrutiny Committee should take a more strategic approach to its work and selection of topics for consideration by an ISG should reflect this more strategic approach.
2. That before suggesting topics, Members should be encouraged carefully to consider Change Plans, Portfolio Holder Plans and up-to-date key data about the Council's Performance, which need to be available and accessible on the Council's website. All suggested topics for an ISG should have a relatively narrow focus.
3. That when selecting the number of ISG topics for each year, The Overview and Scrutiny Committee gives consideration to the resource implications in light of continued resource constraints and likely number of meetings.
4. To assist The Overview and Scrutiny Committee in setting up an ISG, a supporting document should be prepared by the relevant member or officer that sets out the purpose and likely resource needs of the proposed ISG. This will contribute to making best possible use of Members' and Officers' time.

### Size of an ISG, number of meetings and involvement of Portfolio Holders

5. The usual number of Members serving on an ISG should be five or six.
6. Unless exceptional circumstances prevail, an ISG which is correctly defined at the outset and remains focussed, should be able to conclude its business by holding not more than 4 or 5 meetings.
7. That discussion with the relevant Portfolio Holder about the financial and other relevant implications of an ISGs work should take place early in the deliberations of any new ISG, as well as at the time when recommendations are being finalised.

### Recommendations and follow up

8. The ISG recommendations should be relatively few in number (usually the fewer the better) and the likely timescale of implementation and any resource implications (including officer time) should be detailed against each recommendation.
9. Scrutiny Chairs should be expected to champion an ISGs recommendations to try to ensure full implementation.

10. In addition to the current review of progress on implementing ISG recommendations after a one-year period, a further short report on the extent to which recommendations of an ISG report have been implemented should be brought to O&S two to two-and-a-half years after the first consideration of the report which should then, if necessary, raise any outstanding concerns with Cabinet.

Other ways that members can raise major issues

11. The Chief Operating Officer should remind all elected Members of their right to put items on Council agendas under the Council Procedure Rule 36

9. **PERFORMANCE MONITORING UPDATE – CHANGE PLANS MID YEAR 2013/14**

(Report OS85 refers)

During discussion, the Assistant Director (Economy and Communities) reported that an independent report on the economic impact of the Street Market in the High Street had been commissioned. This would soon be publically available following consideration by the Winchester BID in November. Members requested that it be additionally reported to the Winchester Town Forum.

The Chief Executive responded to discussion with regard to an increase in the number of working days lost due to sickness absence (page 19 of Appendix 2 to the Report refers). He reported that the Council's existing strategy to vigorously consider and deal appropriately with all instances of longer term sickness was successfully managing down this figure.

RESOLVED:

That the performance information in the Report be noted.

10. **SCRUTINY WORK PROGRAMME (REPORT OS71 REFERS) AND NOVEMBER/DECEMBER 2013 FORWARD PLAN AND ITEMS FOR FUTURE CONSIDERATION**

RESOLVED:

That the Scrutiny Work Programme and Forward Plan for November/December 2013 be noted.

The meeting commenced at 6.30pm and concluded at 9.55pm.

Chairman