

## **SCRUTINY MANAGEMENT BOARD**

### **Minutes of the meeting of the Scrutiny Management Board held on Thursday, 21<sup>st</sup> June 2012 at 9.00am at the Civic Offices, Telford**

**PRESENT:** Councillors D.R.W. White (Chairman), A.D. McClements, C.N. Mason (substitute for M.G. Ion), C.P.R. Mollett, G.C.W. Reynolds (substitute for S.A.W. Reynolds), J.M. Seymour (substitute for V.A. Fletcher) and C.R. Turley.

Councillors S.Bentley, A.J. Eade and N.A. Dugmore (Call-in signatories)

Councillor S. Davies – Cabinet Member for Neighbourhood Services & Co-operative Council

**Also Present:** D. Hanley (Environment & Open Space Manager), J. Eatough (Assistant Director: Law, Democracy & Public Protection), J. Rowe (Assistant Director: Environment & Leisure Services), S. Jones (Scrutiny Group Specialist), P. Smith (Democratic Services Team Leader)

#### **SMB-1        APOLOGIES FOR ABSENCE**

Councillors V.A. Fletcher, M.G. Ion and S.A.W. Reynolds

#### **SMB-2        DECLARATIONS OF INTEREST**

None.

#### **SMB-3        CALL-IN REQUEST – WASTE MANAGEMENT SERVICES PROCUREMENT**

The Chair reported that a valid call-in request had been received following the publication of the following decisions by Cabinet on 31st May 2012:

(a) that the commencement of a formal procurement process for Waste Management Services, as detailed in the report and its appendices, be approved;

(b) that authority be delegated to the Assistant Director: Environment & Leisure, in consultation with the Cabinet Member for Neighbourhood Services & Co-operative Council and Cabinet Member for Resources & Service Delivery, to progress the procurement process until the Council is in a position to award the contract;

(c) that it be noted that a further report will be brought back to Cabinet detailing the outcome of the procurement process and to seek approval to award the contract at the appropriate time;

(d) that the current residual/municipal waste disposal to landfill contract be extended by one year to April 2014, for the reasons outlined in the report;

(e) that authority be delegated to the Assistant Director: Law, Democracy and Public Protection to execute any documents necessary to give effect to the above recommendations;

(f) that £0.27m available from Environment Services underspends in 2011/12 be allocated to fund project costs.

Attached to the agenda was a copy of the signed Call-in request form. Following a preliminary informal meeting between the Chair and lead Call-In member (Councillor Bentley) and consideration of background information, an amended proposal had been submitted by the lead Call-in member, and the Chair advised that this would be the document which the Board would vote on at the end of the meeting. In accordance with the Member Call-in Protocol, the lead Call-In member and the Cabinet Member: Neighbourhood Services & Co-operative Council each tabled a document summarising the arguments and points they would be making during the meeting. In addition, the Cabinet Member had previously circulated supporting papers and documents relating to the issues raised by the Call-in. Attached to the agenda was the report of the Assistant Director: Environment & Leisure Services that was considered by Cabinet on 31<sup>st</sup> May 2012.

The Assistant Director: Law, Democracy & Public Protection then outlined the procedure to be followed at the meeting, a copy of which was attached to the agenda.

Councillor Bentley (lead Call-in Member) presented the tabled document setting out the reasons for the Call-in and for calling on Cabinet to reconsider their decision. The revised proposal was as follows:

“After having heard the main points of argument from the Lead Member for Neighbourhood Services and Co-operative Council and having considered the background information provided by the Waste Management team I would ask the Scrutiny Management Board to accept the validity of the concerns set out in the amended call-in request and refer this matter back to Cabinet for their reconsideration, due to the failure to properly consider the following: -

1. The consequences and impact of a 20 year length contract with regard to service delivery, flexibility, costs in an unstable market and the potential of future disposal technology.
2. The financial case for:
  - the provision of a Council run facility for the bulking and transfer of waste
  - the volume and value of trade waste recycling and disposal

- the value of potential income streams from domestic and trade waste recycling and disposal.
3. Disposal of food and green waste.
  4. A revised and updated strategy for increasing recycling rates and / or reducing waste within the borough before the procurement process commences.
  5. A coherent borough-wide strategy for local disposal facilities”.

The Lead Call-in Member put forward the view that the Cabinet’s plans meant that the Council would not benefit from potential income generation streams associated with recycling of waste. For example, a waste transfer station controlled by the Council would generate income as well as allowing recycling facilities to be better managed. Examples of current prices being paid for recycled materials were provided. It was contended that the current procurement process should be suspended to allow Scrutiny to look at these issues, examine how waste management regimes were run elsewhere and see what other options were available. .

The Assistant Director: Environment & Leisure Services then presented the information contained in the supporting papers that had been submitted by the Cabinet Member. There were financial and service benefits in bringing together the current separately let contracts for different elements of the waste collection and management process. A considerable amount of evaluation, analysis and stakeholder engagement had taken place to look at the different procurement options, and Scrutiny and other stakeholders would be involved during the different stages of the procurement process. The length of contract had been considered very carefully, but a 15 – 20 year period was seen as optimum in terms of the costs associated with a contractor investing in a transfer station and with the replacement cycle of vehicles (every 7 years). In terms of a Council run facility for the bulking and transfer of waste, the review and analysis over the last 12 months had clearly indicated that the management of the transfer station could not be considered separately from the waste contracts. A Council operated transfer station would require significant capital investment of over £5m, as well as the loss of efficiencies and savings from bringing waste services together. As part of the procurement process, it would be made clear to potential contractors that a key requirement would be to allow the facility to be available for commercial waste. Similarly, dialogue and negotiations would take place with the contractor on the income from recyclables arising from domestic waste, and a share of third party income. Collection of food waste was included as an option to be considered by potential contractors. The Council had a Waste Management Strategy 2005-2021. This had been updated and amended over time, but the key principles of the Strategy remained valid. The provision of Community Recycling Centres would be reviewed with the contractor to ensure that they were fit for purpose.

Following a short adjournment, Board members asked a number of questions to both the lead Call-In member and the Cabinet member. These related to:

- How other local authorities manage their waste services;
- Why there wasn't an option for a Council run waste transfer facility;
- the length of the proposed contract and why different options had not been explored;
- the costs of bringing the whole waste contract in-house;
- the potential income that could be generated from recycling and whether this had been fully examined;
- the need to encourage private companies to recycle more, and to ensure that the new bulking station would maximise recycling opportunities;
- benchmarking of the proposed contract, and ensuring that the contractor was meeting performance targets;
- consultation and communication with local residents and businesses
- bulk collections

Having heard detailed responses from both sides to the questions, the lead Call-in member and the Cabinet member were invited to sum up. Councillor Bentley urged the Board to ask the Cabinet to suspend the procurement process in order to allow Scrutiny to have a proper look at all the issues and options. Councillor Davies stressed that no bids had been received, and many of the issues raised by the Call-in (eg having a Council run waste transfer station) had not been ruled in or out at this stage. The Council was not being too prescriptive at this early point of the procurement process, in order to allow potential contractors to come up with innovative and cost effective solutions to various waste/recycling options. Therefore, it was felt that the Call-in was premature at this stage, and that there would be ample opportunity for Scrutiny to be involved in the procurement process.

Having considered all the written and verbal evidence that had been submitted, and the responses to questions, the Board:

**RESOLVED –**

- (a) that the Call-in request and proposal, as tabled at the meeting, be rejected, and that the original Cabinet decision be noted;**
- (b) that Cabinet be asked to consider the following recommendations in relation to the waste management services procurement:**
  - That a detailed evaluation of the option of a Council owned and managed Transfer Station should be undertaken as part of the evaluation of solutions before going out to contract.**
  - That benchmarking reviews should be undertaken at minimum 5 yearly intervals throughout the term of the contract.**

- That scrutiny will be involved throughout the procurement process and the details of the timetable for scrutiny work would be discussed and agreed following the meeting.

The meeting ended at 12.02 pm.

**Chair:** .....

**Date:** .....

## **SCRUTINY MANAGEMENT BOARD**

### **Minutes of the meeting of the Scrutiny Management Board held on Wednesday, 4<sup>th</sup> July 2012 at 6.00pm in the Reception Suite, Civic Offices, Telford**

**PRESENT:** Councillors D. White (Chairman), V. Fletcher, M. Ion, A. McClements, S. Reynolds, C. Turley.

**IN ATTENDANCE:** Cllrs. K. Sahota, R. Evans, I. Fletcher, G. Green, A. Jhavar, C. Mason, A. Meredith, G. Reynolds, J. Seymour, Scrutiny Co-optee Jean Gulliver; Richard Partington, Managing Director; Fiona Bottrill, Scrutiny Group Specialist; Stephanie Jones, Scrutiny Officer.

#### **SMB-4      MINUTES OF THE LAST MEETING**

**RESOLVED** – that the minutes of the meetings of the Scrutiny Management Board held on the 14<sup>th</sup> May 2012 and 16<sup>th</sup> May 2012 be confirmed and signed by the Chairman.

#### **SMB-5      APOLOGIES FOR ABSENCE**

Cllr. C. Mollett.

#### **SMB-6      DECLARATIONS OF INTEREST**

None.

#### **SMB-7      CHANGING THE COUNCIL & LOCAL COMMUNITIES TOGETHER – THE CO-OPERATIVE WAY**

The Chairman welcomed the Leader Cllr. Kuldip Sahota and Managing Director Richard Partington to the meeting, and explained they had been invited to give a presentation on the priorities for the Council going ahead and to answer scrutiny members' questions.

The Leader and Managing Director gave a presentation entitled "Changing the Council & Local Communities Together – the Co-operative Way" which highlighted the following points:

- Cuts in local government funding had reduced the Council's grant by 28% i.e. £27m, or £40m in real terms, to 2015. The government was reviewing local government finance and had given out the message that constraints on public spending would necessitate further severe cuts after 2015 and that local authorities should seek to reduce their reliance on government grants and look more towards income from business rates, the New Homes Bonus and generating other income streams. Adult social care costs remained a concern and the Leader had attended the Local

Government Association Conference the previous week which had urged action from the government.

- The Council had been pro-active in managing the budget reductions to minimise the impact on services for local people as far as possible to date. Savings had been made from a thorough re-design of services and restructure across the organisation, property rationalisation, efficiencies through procurement, reduced borrowing costs resulting from the “100-day budget” and the rise in Council Tax following consultation. Key shifts in approach were the investment in early intervention and prevention in children and family services with the Family Connect single point of contact, and in rehabilitation and re-ablement within adult care.
- The borough faced a number of problems including levels of disadvantage and deprivation (22% of households in poverty, 14 areas in the top 10% most deprived nationally), unemployment at 4.5% (JSA claimants) rising to 9.1% in one ward, youth unemployment at 10.4%, a low wage economy, land instability in the Gorge and the ageing New Town infrastructure.
- Key challenges included creating a positive image of Telford & Wrekin to attract inward investment, creating and safeguarding jobs, developing “affordable” housing, improving health and life expectancy, developing the infrastructure to support population growth and reducing reliance on public sector jobs at a time of contraction of the sector.
- Despite this, there were some big opportunities for the borough: attracting spin out investment into Telford from the i54 enterprise zone, the significant amount of serviceable development land either owned by the Council or managed by the Council for the HCA to encourage growth, income potential from the New Homes Bonus and collection of business rates, investment in Southwater, the Ice Rick and Town Park to attract local and regional visitors and investors, the BSF programme to drive aspiration and ambition, the strength of partnerships and the voluntary and community sector in the borough.
- The Council now needed to take the next steps to manage the changes ahead. Fundamental to this was developing the Co-operative approach, involving partners and local communities in developing and delivering Council services. A number of Co-operative projects had already been delivered collaboratively with partners such as the Health Hub with the PCT at First Point, the Employability Centre with TCAT, the Small Business Loans Fund with private sector partners, and the creation of 67 apprenticeship opportunities. The Co-operative Commission and the Employee Commission had already made recommendations to Cabinet about how things could be done differently in a number of areas. A set of Co-operative Values had been developed and the ambition was to create a Co-operative ethos for the borough so that the public were active participants rather than just recipients of services.
- Cllr. Sahota outlined a number of specific priorities for the Council including: budget efficiency so that the Council continues to give value for money to local people; reducing dependency on debt, and servicing debt, by realising capital receipts; the re-design and transformation of children’s and adult services; delivery of the BSF programme on time and within budget; relocation of Council staff to new accommodation by Christmas with the best access to Council services for the public; to create a

business-friendly Council to pro-actively attract and safeguard jobs in the borough; to promote Telford and continue to lobby for the M54/M6 road link and improved rail links; to embed a Co-operative culture within the organisation and continue to deliver the Adopter programme; to make the Council customer-focussed; to continue the physical and social regeneration of Oakengates, Hadley, Brookside and Sutton Hill; to develop a new strategy for Homelessness and to integrate public health into the authority.

Following the presentation members commented on and asked questions about a number of issues:

- Relating to adult social care, it was explained that the re-ablement programme was an intensive time limited programme to help people discharged from hospital or referred for care to regain or retain independent living at home to reduce dependency on care packages and to prevent unnecessary hospital admissions. The programme was free of charge and a financial and care needs assessment was done at the end. Personalisation meant that people had a choice about whether to receive a direct payment so they could procure the care services of their choice, or whether to receive care from Council services.
- Members referred to the additional pressure on the social care budget from the withdrawal of NHS Continuing Healthcare (CHC) funding, and the Managing Director explained that the PCT had acknowledged that the extent of the withdrawal of CHC funding had been too extreme and needed to be re-balanced but the mechanism for doing this needed to be agreed.
- Members asked how the impact of changes to the benefit system were being managed by the Council. The Managing Director replied that the Council was working up options for a Council Tax benefit scheme and a report would be brought to Cabinet. The Council had looked at what other authorities were doing, and the scheme needed to be financially sustainable. There was a risk that the Council would be seen to be imposing cuts to Council Tax benefit as the administering body. Members were concerned that reductions in housing benefit and the introduction of one universal monthly payment meant there was a risk of people falling quickly into rent arrears. Members suggested that the voluntary sector had a role to play in advising and supporting people through the changes, but it was important that any such volunteers were properly trained to protect the employer organisation.
- Given the financial outlook beyond 2015 and the need for authorities to identify new income streams, Members wanted to know how the Managing Director saw the role of local authorities changing. He replied that there would be pressures but that it was important for the authority to retain its values. There had been discussions with Cabinet about the future direction of the Council and Cabinet members agreed the need to generate new income streams and ideas were being developed with

Cabinet.

- Members asked what could be done to make the existing business parks in the borough more attractive to potential investors. It was agreed that some of the sites were not high quality, but there was plenty of developable land around, and the Council would explore potential ways of attracting additional resources for example through the Business Improvement Districts or Community Infrastructure Levy. A priority for the Council was the need to attract and safeguard jobs in the borough.
- With regard to the role of the Director of Public Health, discussions were going on to look at how the role would fit into the Council's management structure, and there was an opportunity to look at how public health could be integrated into the local authority services.
- Members wanted to know what more the Council was doing in children's safeguarding when this was in the media spotlight and the service was being inspected by Ofsted. Cllr. Sahota said that this was the function of the Director of Children's services and would be discussed with Cabinet. Cllr. Ion commented that scrutiny had an important role to play in holding Cabinet and officers to account for outcomes and in helping to shape services for children. The findings of the Ofsted report would come to scrutiny as an early piece of work. Cllr. Green reminded Members as Corporate Parents that they also needed to be conscious about the safety of children placed out of the borough. Cllr. Ion said equally there was a need to keep children from other authorities placed in Telford & Wrekin safe.

The Chairman thanked Cllr. Sahota and Richard Partington for attending the meeting and answering questions.

## **SMB-8      SCRUTINY WORK PROGRAMME**

The Scrutiny Officer summarised the report on the Scrutiny Work Programme, making the following points:

- The Scrutiny Management Board had previously discussed the fact that with a 20% reduction in staff resource it was necessary for scrutiny to work closely with Assistant Directors so that resources for scrutiny could be planned into work loads.
- The Scrutiny Management Board had also agreed that with reduced resources it was more important than ever for scrutiny to add value, and the work programme should focus on fewer pieces of work but in more depth for greater impact.
- Appendix 1 outlined the process for agreeing the work programme.
- Appendix 2 listed the new suggestions and outstanding items from the previous year allocated to a proposed lead Scrutiny Committee. It was up to members to agree the work programme, but the Community Infrastructure Levy must be included as this had been referred to scrutiny

by Full Council.

- The proposed allocation of meetings to each Scrutiny Committee was 6 per year, with additional resources allocated to the Committees by the Scrutiny Management Board as deemed necessary to deliver the work programme.
- It was proposed that there is a two year work programme to allow for continuity of work.
- Members wanted to hold “Members-only” meetings to increase capacity, and it was proposed that this is piloted using the protocol in the Scrutiny Handbook and evaluated before rolling-out.
- It was noted that Call-in of decisions may impact on the work programme.
- Section 7 set out proposed items for the Scrutiny Management Board work programme which included responsibility for holding Cabinet members to account.

Members were asked to consider the report and agree the recommendations set out in Section 2:

- That the Scrutiny Work Programme should be a two year programme, refreshed after 12 months.
- To agree the allocation of suggestions to the Scrutiny Committees as shown in Appendix 2 for further consideration by each Scrutiny Committee.
- To endorse the recommendations made by the Scrutiny Committee Chairmen in Appendix 2 for further consideration by the Scrutiny Committees.
- To agree the indicative allocation of meetings to each Scrutiny Committee as set out in 6.3.
- To note the items for the Scrutiny Management Board work programme as set out in section 7.2.

There was a discussion about the work programme during which the following points were made:

- The Chair remarked that it was up to each Scrutiny Committee to agree which topics would be scrutinised, but that the Committees should identify clear priorities as it was not possible to look at all of the issues.
- The Chair stated that it was important for scrutiny to hear the view of partners, service users and the public, and Cllr. McClements expressed a commitment to this aim, including holding member-only meetings to increase capacity.
- The Chair suggested that all Scrutiny Chairs should sum up at the end of each item at meetings and the Committee should agree an outcome.
- Cllr. McClements reinforced the need for scrutiny to be involved as early as possible in policy development to have greater impact such as the work carried out by the Co-operative & Communities Scrutiny Committee on leisure concessions.

- Cllr. Fletcher emphasised the need for flexibility in the work programme to scrutinise important issues that arise at short notice.
- Cllr. Turley reaffirmed the agreement at the Call-in meeting on 21<sup>st</sup> June that the Waste Management Procurement would be included in the work programme.
- Cllr. Turley suggested that Scrutiny Chairmen should be appointed for a term of two years consistent with delivering a 2 year work programme.
- In response to a question about which Scrutiny Committee would be responsible for looking at benefit changes, the Chairman said the Co-operative & Communities Scrutiny Committee would be the lead Committee to look at the impact of the changes. Cllr. Reynolds reminded members that the Budget & Finance Scrutiny Committee would look at the setting of the Council Tax as part of the budget scrutiny, and could look at the financial impact of the benefit changes so there could be a joint scrutiny.

At the end of the discussion the Chair asked Members of the Board to consider the recommendations in the report, and all recommendations were agreed unanimously.

**RESOLVED:**

**That the recommendations in Section 2 of the report be agreed**

**SMB-9      TIME AND DATE OF NEXT MEETING**

The time and date of the next meeting at 9.00am on 14<sup>th</sup> September was noted.

The meeting ended at 7.50pm.

**Chairman:** .....

**Date:** .....

**TELFORD & WREKIN COUNCIL**

**SCRUTINY MANAGEMENT BOARD– 14<sup>th</sup> SEPTEMBER 2012**

**APPOINTMENT OF TOWN AND PARISH COUNCIL CO-OPTEEES**

**REPORT OF SCRUTINY GROUP SPECIALIST**

**1.0 PURPOSE**

- 1.1 To consider the recommendations made by the Scrutiny Chairmen and appoint Town and Parish Council Co-optees.

**2.0 RECOMMENDATIONS**

- 2.1 That Members agree the nominations as set out in Section 5.1 of this report.

**3.0 PREVIOUS MINUTES**

- 3.1 SMB -34  
SMB-45

**4.0 BACKGROUND INFORMATION**

- 4.1 Scrutiny Management Board agreed in March 2012 to co-opt members of Town and Parish Council's in Telford and Wrekin on to the 5 Scrutiny Committees. The Town and Parish Council's were consulted on the process and the Association of Local Councils supported the principal of appointing Town and Parish Council Co-optees. It was agreed that there would be two places on each Committee for Town and Parish Co-optees (If there were an existing co-optee who was a Town or parish Councillor there would be one place for anew Co-optee)

**5.0 NOMINATIONS**

- 5.1 Seven nominations were put forward by Town and Parish Council's in the Borough. Each nominee provided a personal statement setting out why they wanted to be involved in Scrutiny and the skills and experience

they could bring to the role and the Scrutiny Committee(s) they would be interested in attending. There were more nominations than there were places available on the Housing, Economy and Infrastructure Scrutiny Committee. The Scrutiny Chairmen considered anonymised personal statements and suggested that some of the nominees may wish to be considered for a co-optee role on an alternative Scrutiny Committee. One nominee was not recommended to take a place on a Committee. The Scrutiny chairs also recommended that two Town and Parish Council Co-optees are co-opted on to the Housing, Economy and Infrastructure Scrutiny Committee in addition to the existing Co-optee who is a Town and Parish Councillor. Following discussion with some of the nominees and the Town and Parish Clerks Scrutiny Management Board are asked to consider the following nominations for the Scrutiny Committees:

Town /Parish Council	Name of Nominee	Scrutiny Committee
Newport	Fiona Robinson	Budget and Finance Scrutiny Committee
Oakengates	John Ellis	Co-operative and Community Scrutiny Committee
Oakengates	Steven Reynolds	Housing, Economy and infrastructure Scrutiny Committee
Rodington	Dave Johnson	Housing Economy and Infrastructure Scrutiny Committee
Wellington	Roger Aveley*	Children and Young People Scrutiny Committee
Wellington	Ralph Perkins	Health and Adult Care Scrutiny Committee

\*To review after 6 months

## **6.0 EQUAL OPPORTUNITIES**

6.1 The process was open to all Members of Town and Parish Councils and nominations have been considered on the basis of the statements provided.

## **7.0 ENVIRONMENTAL IMPACT**

7.1 There is no direct environmental impact resulting from this report.

## **8.0. LEGAL COMMENT**

- 8.1 Section 21(10) of the Local Government Act 2000 provides that a Scrutiny Committee can include members who are not elected Members of the Authority. The Local Authorities (Members' Allowances) (England) Regulations 2003 provide that allowances can be paid to co-optees.

## **9.0 LINKS WITH CORPORATE PRIORITIES**

- 9.1 Co-opting Town and Parish Council Members on Scrutiny Committees is in line with the Co-operative Council Values.

## **10. OPPORTUNITIES AND RISKS**

- 10.1 The process to appoint Town and Parish Co-optees is an opportunity to strengthen the Scrutiny process and develop links with town and Parish Councils.

## **11. FINANCIAL IMPLICATIONS**

- 11.1 If all of the 6 Town and Parish Council members claim a Co-optees allowance then the total cost to the Council would be £1,560 per annum. This could be accommodated within the current revenue budget for member allowances.  
MLB 06.09.12

## **12. WARD IMPLICATIONS**

- 12.1 Scrutiny Committees do not focus on specific ward issues but co-opting Town and Parish Co-optees is a way of improving communication with local councils and identifying local issues that are relevant to Scrutiny.

## **13. BACKGROUND PAPERS**

- 13.1 None

Report prepared by Fiona Bottrill, Scrutiny Group Specialist 01952 383113