

RESOURCES PORTFOLIO CABINET MEMBER FOR RESOURCES' DECISION MEETING

RECORDS OF DECISIONS taken by the Cabinet Member for Resources, Councillor Hugh Mason, at his decision meeting held on Thursday 7 July 2011 at 8.45 am in the Guildhall, Portsmouth.

Opposition Spokesperson Councillor Donna Jones (Conservative) was also present.

Officers Present

Louise Wilders, Head of Customer, Community &
Democratic Services
Kay White, Head of Human Resources
Tony Nicholas, Head of Asset Management
Sue Page, Finance Manager
Delyth Horsley, Voluntary and Community Support Officer
Ed Woodhouse, Head of Revenues & Benefits

Councillor Hugh Mason welcomed the opposition spokesperson and officers to the meeting.

20 Apologies for Absence

There were no apologies for absence.

21 Declarations of Members' Interests

There were no declarations of members' interest.

22 Twinning

The Cabinet Member for Resources said that no applications for funding had been received and that any that were received after this meeting would be considered at the September meeting. The Cabinet Member for Resources advised that

- He had asked the Lord Mayor to convene a meeting of those interested in forming a Caen committee.
- A process had been developed concerning the handling of applications for money which would come to the Twinning Advisory Group. This would meet half an hour before the scheduled Resources portfolio meeting.
- The Haifa Committee had been informed of future plans and would be making an application for funding.
- Sister cities would be contacted formally in order to re-establish links.

- It had been agreed with the Head of Customer, Community & Democratic Services that the single point of contact in the council for matters concerning twinning would be Mr Peter Smith-Parkyn.

The Cabinet Member for Resources reported that the Lord Mayor was likely to travel to Maizuru, a sister city, at her own expense.

DECISION:

That the Cabinet Member for Resources decided:

- (1) **formally to invite nominations for membership of the Twinning Advisory Group (TAG) from each of the twinning committees.**
- (2) **to agree that meetings of TAG be scheduled to meet immediately prior to the scheduled Resources decision meetings.**

23 Landlord's Maintenance - Capital Contingency – Scheme Approval

(TAKE IN REPORT)

The Head of Asset Management introduced the report and explained that the purpose was to identify the proposed LLM capital contingency programme of work for 2011/12 and secure authorisation from the Resources portfolio to incur capital expenditure funded from the approved capital budget. The Head of Asset Management explained that the proposed programme and phasing of expenditure over two financial years was set out in paragraph 3.5 of the report.

In response to questions the following points were made:

- With regard to Lumps Fort, Asset Management was trying to establish the minimum amount of work necessary to stop further decline.
- Because of the financial situation, Asset Management was only looking at priority 1 and 2 works.
- In response to a request, it was agreed that Councillor Hugh Mason and Councillor Donna Jones would receive periodic briefings, nominally on a quarterly basis to consider potential property disposals and other property cost reduction projects. The frequency of these briefings will be timed to coincide with Resources Portfolio meetings where practical.

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DECISION:

That the Cabinet Member for Resources approved the programme of capitalised repairs at an estimated cost of £1,191,300 funded from the Landlord's Maintenance Capitalised Repairs budget contained within the capital programme.

24 HR Business Plan

(TAKE IN REPORT)

The Head of Human Resources introduced the report and said that the predictions for local government finances as a result of the recession indicated an emphasis on supporting significant organisational change for all HR teams over the next two to three years. As the HR service was likely to be called upon to support other reviews taking place throughout PCC it was thought sensible to review the HR service first. An independent external consultant reviewed the people agenda across the city council in December 2010 based on the Human Resource service and strategy to determine its ability to respond to the changing needs of the council over the next four to five years. The main recommendations of the review were as set out in the report.

In response to questions the Head of Human Resources explained that one of the weaknesses highlighted in the review was that the HR service was too reactive, prescriptive and risk averse. In order to address this weakness, a new management development programme strategy had been devised with training for managers due to begin in September 2011. Up until now, too much reliance had been placed on HR staff to tell managers what to do in given situations. There was also a marked difference in the quality of advice being given by senior HR staff as opposed to junior HR staff. Simplified policies were being introduced and also training for junior HR staff is being implemented in order to improve the situation. With regard to being less risk averse, this related mainly to employment tribunals. Given the experience of the council in internal HR appeals, when most decisions were upheld on appeal, it was felt that the benefits of proceeding to an employment tribunal would probably outweigh the risks involved.

With regard to the absence management system, part of the Transformation agenda includes a bid from HR to improve the Oracle system. This would enable much more information to be accessed and used from the system in order to make meaningful interventions.

Sue Page, Finance Manager agreed to provide Councillors Hugh Mason and Donna Jones with the amount it would cost to upgrade the HR part of the Oracle system.

DECISION:

That the Cabinet Member approved the nine main objectives of the Human Resources Business Plan set out within the report.

25 Revenues & Benefits Business Plan 2011/2012

(TAKE IN REPORT)

The Head of Revenues & Benefits said that as in real terms he was unable to plan further ahead than the next 12 months, he felt that the plan should really be from 2011/12 rather than from 2011 to 2014 as in the heading of the report. It was agreed that the plan should be renamed to reflect the true position ie that it was for the period 2011/12. The Head of Revenues & Benefits said that the service contributes directly to corporate priorities particularly to protect and support our most vulnerable residents and to increase availability, affordability and quality of housing. The objectives are clearly matched with available budgets to perform the required activities. The business plan sets out the main objectives to be achieved, including assessment of the objectives, the strategies to achieve them and measures of success.

During discussion the following points were made:

- 83% of benefit claimants received their payments electronically. Approximately 250 landlords still receive their payments by cheque which is more expensive to PCC than paying by BACS transfer. Council tax and non domestic rates payments are received electronically in about 96% of cases with the rest being made in cash. Around 70% of council tax payments are made by direct debit and this is above the national average. The Head of Revenues & Benefits explained that PCC was currently working with the Credit Union to facilitate direct payments for benefits into an account held by the Credit Union who then pay the claimant.
- With regard to the possibility of shared services with other authorities, the Head of Revenues & Benefits said that they had looked to shared services with Havant Borough Council, Gosport Borough Council and Southampton City Council but the possibility of shared services at the current time was not considered to be feasible.
- With regard to the to the proposed localisation of business rates, the Head of Revenues & Benefits anticipated a small net gain in the short term but in the longer term PCC may be worse off.

DECISION:

That the Cabinet Member for Resources approves the main objectives set out in this business plan.

26 Budget Outturn 2010/11 – Revenue Cash Limits and Capital Programme

(TAKE IN REPORT)

The Finance Manager introduced the report which compares the actual revenue expenditure outturn for 2010/11 with the controllable cash limit for that year and the outturn capital expenditure to the approved capital programme for this portfolio and provides information to enable an understanding of the reasons for variances. The Finance Manager explained that the main areas of variance were listed in 5.4 of the report.

During discussion the following points were raised:

- The saving on the cranes mentioned in paragraph 7.3 is not available for reallocation to other unfunded capital projects because the source of funding on this scheme is unsupported borrowing.
- The Civic Offices telephone exchange scheme was implemented between September and March 2011 with the system becoming fully operational in April 2011. As a consequence all contract expenditure was incurred in 2010/11 as opposed to being split between the 2010/11 period and the 2011/12 period.
- With regard to Legal Services overspend, this occurred owing to a delay in the implementation of a second review of the staffing structure. This has resulted in additional employee costs and the continued use of external locums. The Finance Manager explained that the cash limit has been based on the five vacancies being filled.

In response to a question, the Finance Manager said that discussions between Legal Services and the heads of service concerning payments to Legal Services for work carried out would now take place at Strategic Director level.

The Cabinet Member for Resources said that a variance of 3.5% in the current climate seemed quite reasonable especially as it represents an underspend.

DECISION:

That the Cabinet Member for Resources noted the contents of the report.

27 Update Report on Voluntary & Community Sector

(TAKE IN REPORT)

The Cabinet Member for Resources said that proceedings would remain in open session until financial elements were discussed. He invited Mr John Palmer to give a deputation which covered the following points:

- He had worked as a consultant to the voluntary sector since 1996 and had been invited to carry out a strategic review of Community First and to act as interim chief executive following the departure of Mr John Piper.
- Major changes were currently taking place in the voluntary sector.
- Mr Palmer said that it is intended to present the findings of the review and recommendations for potential streamlining of these arrangements in a report to the September Resources portfolio meeting.

Mr Palmer summarised some of the actions that had been taken which included rewriting job descriptions, rewriting the business plan and reducing staff levels.

In response to questions, Mr Palmer confirmed that staff appeared to have accepted a move away from the green book local authority pay scales and conditions. He said that they had employed a HR consultant to facilitate the changes.

Discussion took place about the various options outlined in paragraph 3.6 of the exempt report and there was general agreement that it would be useful to have a more open meeting to discuss the relationship between Community First and PCC at a later stage.

The Cabinet Member for Resources thanked Mr Palmer for his deputation.

The meeting then moved into closed session and members of the press and public were excluded from the meeting at this point.

The Head of Customer, Community & Democratic Services outlined the report and explained the key issues. Following discussion, the Cabinet Member for Resources made four decisions in open session.

DECISIONS:

That the Cabinet Member

- (1) notes the progress with the voluntary and community sector agenda;**
- (2) notes the counselling review report for the Resources portfolio September meeting;**
- (3) approves the transfer of the contract for Portsmouth Disability Forum (PDF) to the Integrated Commissioning Unit;**
- (4) notes the Grants programme review for the September meeting of Resources portfolio.**

Two further exempt decisions (5) and (6) were made with regard to this report which are contained in an exempt minute.

28 Date of Next Meeting

The date of the next meeting of Resources portfolio is scheduled for 29 September 2011.

The meeting concluded at 10.28am

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Councillor Hugh Mason
Cabinet Member for Resources

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