

Minutes of a meeting of the OVERVIEW AND SCRUTINY COMMITTEE held at the Brynsworthy Environment Centre, Barnstaple on Thursday 6th July 2017 at 2.00 p.m.

PRESENT: Members

Councillor Greenslade (Chair)

Councillors Chesters (present for minutes 29 to 33), Ley, Patrinos, Roome, Webber, White and Worden.

Also present:

Councillors Biederman, Brailey, R. Cann and Moores.

Officers:

Head of Resources (JT), Head of Corporate and Community Services (KM), Head of Operational Services (RM) and Corporate and Community Services Officers (KS) and (KJ).

24 APOLOGIES

Apologies for absence were received from Councillors Bonds, Meadlarkin and Webber

25 MINUTES

RESOLVED, that the minutes of the meetings held on 22nd June 2017 (circulated previously) be approved as a correct record and signed by the Chairman.

26 DECLARATIONS OF INTEREST

There were no declarations of interest announced.

27 RMB CHIVENOR

The Chairman addressed the Committee and advised that he was awaiting confirmation that a member of the Marines would attend a future committee meeting. He hoped to have something further to report in relation to the situation in the autumn.

The Chairman expressed his thanks for the contribution from Simon Dart at the April meeting of the Committee.

The Committee discussed the rumours heard in relation to the site at Chivenor remaining in use whilst the site at Taunton would close. This could not be confirmed.

RESOLVED, that the item remain on the agenda.

28 NATIONAL HEALTH SERVICE (NHS) SUCCESS REGIME

The Chairman addressed the Committee and confirmed that although the recent announcement that Acute Services would remain at North Devon District Hospital was welcomed it was noted that there was no firm guarantee for the future of other services.

The Committee discussed their concerns over the ability of the NHS to continue funding the services as the initial reasoning for closure was due to financial cuts.

RESOLVED that:

- (a) the item remain on the agenda;
- (b) a member of the Clinical Commissioning Group be invited to attend a future Committee Meeting.

29 PROGRESS MADE IN IMPLEMENTING THE CHANGES TO REFUSE AND RECYCLING SERVICES

The Committee considered the submission of the questions by Councillor Patrinos together with the responses provided (circulated previously and tabled) regarding the progress made in implementing the changes to Refuse and Recycling Services.

The Chairman thanked the Head of Resources and the Head of Corporate and Community Services for their input at the previous Committee meeting.

Councillor Patrinos addressed the Committee advising that he had approached the Monitoring Officer with the questions in accordance with the Constitution. It was acknowledged that the answers to those questions had been circulated previously and updated answers had also been circulated to the committee prior to today's meeting.

The Chairman outlined the current situation and invited the Head of Operational Services and Lead Member for the Environment to provide an update in relation to the latest position.

The Leader of the Council wished it to be noted that Councillor R. Cann and the Head of Operational Services had not been expected at the previous committee as the item was not on the agenda. He confirmed that it had been agreed previously that it would be discussed on today's agenda and so felt it unfair that they received criticism at the last committee meeting, which was then misreported in the press. The Chairman noted that Cllr R Cann had previously told him he would attend the meeting which caused confusion.

Councillor R. Cann confirmed that the project had been purposely delayed in order to ensure that the Council was as prepared as possible before going ahead. This unfortunately clashed with the Head of Operational Services' pre-arranged plans. He noted that the management were aware of this in advance. He confirmed that the trial areas were going well and that the quantity of food waste and recycling had been a revelation. The signs were that the project would succeed should the three-weekly collection service be rolled-out across the area. He expected that it would result in a scheme that NDC would be proud of.

The Chair addressed the Head of Operational Services in relation to the current status of the project.

The Head of Operational Services (RM) advised that:

- The problem in relation to the food waste was hampered by the exceptionally hot weather. If the weather had been cooler he expected that there would have been fewer problems (of maggots and liquefied food waste).
- The additional staff shifts (to 7pm each evening) would not be required this week.
- Two rapid-response teams were being used to pick up missed collections. They were on new, more flexible contracts and this was working well.
- He noted that historically collections could be missed due to access problems (e.g. due to parked cars) and this would still occur regardless of the 'recycle more' project.
- 100 new routes had been created, some of which were unfamiliar to staff. There had also been some confusion historically over these where some informal agreements had existed between collection teams. The routes were being continuously updated and corrected with the final information going to Eunomia next week for the final adjustments.
- Missed garden waste collections were being collected within 5 working days as per the service level agreement. It was hoped to reduce this to 3 days soon, with the future aim of 1 working day.
- Any recently missed collections were now only an occasional property or postcode.
- Staff had been issued with PPE face masks and anti-bacterial wipes. This was a result of staff being physically sick during the initial period when food waste had remained in the high temperatures for a number of weeks before collection. The Health and Safety Officer would be meeting with staff shortly.

- Feedback from the crews suggested that the advisory sticker system (being placed on receptacles) appeared to be working.
- The possibility of purchasing corn starch liners to issue to reluctant customers to try to encourage them to use them was being considered.
- Any unused/abandoned green waste bins would be collected after receiving both white and red stickers).
- The recycling plant equipment was currently 8 years old. Any new plant purchased in future would possibly have the facility to recycle black plastic.

The Committee discussed the confusion over the collection of cardboard. Many of the Councillors had been under the impression that the cardboard recycling was now 'unlimited' throughout the district and did not need to be placed in the relevant bag. They had been advising the public of this.

The Head of Operational Services confirmed that this had never been the case and had not been part of the new scheme. He confirmed that the unlimited cardboard collection only applied to those in the trial areas. There had been no change to those outside the trial.

It was noted that it may be that staff had been collecting extra cardboard in some cases where they had the capacity to do so although this was over and above the service standard. Inconsistency in the levels of service may have added to confusion with customers.

The Head of Operational Services provided the following figures in relation to the trial (but noted that the scheme was only in the early stages):

- Forches Trial Area:

Week 1	Collections completed so that project starts with 'clean slate'
Week 2	Recycling Doubled
Week 3	Recycling increased
Week 4	First Black Bin waste collection (since week 1).
- Previously 9 tonnes of black bin (general) waste would be collected each week. So it was assumed that on week 4 (with 3 weeks' worth of waste) there could have been 27 tonnes to collect. However, only 14 tonnes was collected. This equated to an average of 4.6 tonnes per week therefore 4.4 less tonnes of waste to go to landfill.
- Similar figures had been achieved in Bratton Fleming.

The Committee discussed the outcomes of a recent meeting in Bratton Fleming regarding the trial.

Councillor Biederman addressed the Committee and advised that there had been a round of applause for the staff but he felt that it was not for the management and the councillors involved. He praised the project with regards to the resulting reduction in waste going to landfill. However, he criticised the management of the project in particular the lack of communication and information for the public.

The Leader disputed this and felt that any praise was for everyone involved and such criticism was unfounded as there had been numerous communications for what was a hugely ambitious project. He also emphasised that the Councillors should be supportive of the staff.

The Chair questioned the extent of the involvement by staff in the development of the scheme – particularly in the creation of the new rounds. He also questioned the value of the consultants in this and whether there was a need for a claim against them for their part in the problems being experienced.

Councillor R. Cann acknowledged that mistakes had been made but that overall the public understood the reasoning behind it. He also confirmed that the changes to the system had been carried out in full knowledge of the entire Council.

The Head of Operational Services confirmed that there would be no requirement to seek a case against the consultants. They had provided advice based on the available knowledge of the experiences of similar Local Councils. They had also used information provided by the Council. The process had generally 'gone well' and that any service change would experience problems.

The Head of Operational Services also emphasised that he had tried to engage with all members of the Committee and other Councillors, of whom only a handful came forward. His staff had been involved throughout the planning stages with fortnightly and monthly meetings, workshops etc. Some staff had tested the routes during the process and some visited neighbouring Councils who were running similar services.

When questioned as to why a particular company were used to deliver caddies, the Head of Operational Services confirmed that it had been selected via the tender process. It had been assumed that there would be some problems due to the geographical size of the area. There had been some confusion over maps being 'signed off' in error - where it had been assumed that streets missed off of routes would be included on other routes. Some newer estates had been omitted from the maps which were then used to plan the rounds.

The Head of Operational Services also confirmed that the number of homes still waiting for a caddy was now less than 200. In answer to a question from Cllr Mathews he explained that no waste analysis was carried out prior to the

changes as this was expensive (approx. £40k) and very difficult to do. It was hoped that the levels of food waste would naturally reduce over time as the public become more aware of the amount of food they were wasting.

Councillor R. Cann advised the Committee that once the trial had completed the Council would be able to assess whether to roll the system out across the area. However he noted that a phased approach would be required. He also advised that he felt the possible savings to be made in future from the scheme had been underestimated.

At the request of the Chair, the Head of Resources (JT) addressed the Committee in relation to the financial implications.

He confirmed that the cost of the consultant's services was £60,000. This covered works carried out over the past 18 month period and included the current round adjustments to be carried out. He noted that this piece of work carried out was cost-effective in comparison to employing the Council's own staff. Savings in excess of £300,000 per year were expected.

Councillor Harrison addressed the Committee and emphasised not losing sight of the fact resources were tight and the need to make savings to ensure that essential services could continue. He felt that the results were very promising.

The Chair thanked the officers and lead Members for their attendance.

30 PERFORMANCE AND FINANCIAL MANAGEMENT **QUARTER 4 OF 2016/17**

The Committee considered a report to the Executive on 3rd July 2017 by the Leader and Executive Team together with a minute extract (circulated previously) regarding the Performance and Financial Management Quarter 4 of 2016/17.

The Head of Resources gave an overview of the fourth quarter performance of the year and took the Committee through the headline financial figures.

He drew the Committee's attention to the following points:

- The Revenue budget for 2016-17 was approved at £11.946m.
- At 31st December 2016 the Council reported a net budget surplus of £0.002m.
- At 31st March 2017 the final outturn position was a budget surplus of £0.349m, which was an overall movement of £0.347m from the last forecast at quarter three.
- The sale of recycling materials was a volatile market with the financial year of 2015/16 seeing an income of £0.460m, which was on average 15% lower than the previous year when the Council received around £0.540m. However there had been a slight upturn in the market with the 2016/17 figure at £0.511m

- The Collection Fund reserve (Business Rates) saw £0.189m placed into the reserve.
- There was £0.160m allocated into the car parking machine replacement reserve to fund the capital replacement of all machines through 2017/18 year.
- Overall the earmarked reserves had a balance of £6.52m at 31 March 2017. It was noted that the increase on the previous year was partially due to the receipt of £0.7m grant in March for Community Housing.
- The balance of the General Fund was £1.161m at 31 March 2017 (equates to 9.7% of the net budget). It was noted that the recommended level was 5-10%.
- The Capital Programme for Quarter three was £7.771m.
- The business cases approved at Quarter Three were at a cost £0.115m.
- The total cost for the Capital programme for 2016-17 to 2019-20 was £7.886m.
- The actual spend on the Capital Programme for the 2016/17 financial year was £3.357m.
- Three business cases for further investment of £0.455m were put forward to the project appraisal group. All three projects scored 'high' and could be funded without the need to increase borrowing.
- The three projects were:
 - 1) Replacement roof at the old Bus Station at a cost of £25k – to be funded from the Repairs Reserve Fund.
 - 2) Replacement ICT system for Planning at a cost of £150k- to be funded from the Local Plan/New Homes Bonus Reserve.
 - 3) Refuse vehicle replacements at a cost of £280k – to be funded from the Vehicle Replacement Reserve.
- Within the Capital Programme – Quarter 4 movements it was noted that an additional grant had been received towards the available funds for the Disabled Facility Grants.
- Approximately half of the £5.443m (£2.747m) of the Capital Programme would be funded from external grants and contributions.
- External borrowing levels had remained at £2m which had been made possible by the use of internal borrowing to fund projects.

In response to a number of questions, the Head of Resources gave the following responses:

- Any Capital project over £10,000 would require a business case to be submitted.
- NDC had not made any agreement to take over the responsibility for the car park at Braunton and the pay and display machine had been installed by the contractor, not at the request of North Devon Council.
- The £700,000 received for the Community Housing Fund would be used towards affordable housing projects. Some funding had been assigned to go to three parishes who were currently progressing with schemes.

RESOLVED, that the decisions and recommendations of the Executive be endorsed.

31 ANNUAL TREASURY MANAGEMENT REPORT 2016/17

The Committee considered a report to the Executive on 3rd July 2017 by the Leader and Executive Team together with a minute extract (circulated previously) regarding the Annual Treasury Management Report of 2016/17.

The Head of Resources drew the Committee's attention to the following points:

- The Loan from PWLB of £0.5m was at an interest rate of 1.43% which was the lowest rate available during that year.
- During 2016/17 the Council received £22,738 in interest from Lloyds Bank of which £18,100 had been placed in the reserves to cover any possible default costs within the five year period of the Local Authority Mortgage Scheme deposit. It was expected that the reserve set aside for the five years would not be required.
- The Council had been risk-adverse in its investment strategy which was deemed sensible in today's economic climate.
- The average rate of return attained over the year 2016/17 was 0.47% earning £50,000 of investment interest over the year.

RESOLVED, that the decisions and recommendations of the Executive be endorsed.

The Committee thanked the Head of Resources for his report.

32 DEVON AND CORNWALL POLICE AND CRIME PANEL

Councillor Mathews advised that he had no update to provide to the Committee at the current time as the next meeting was not scheduled until 7th July 2017.

He advised that the meeting would include the appointment of a Treasurer and a Deputy Police and Crime Commissioner. It was noted that there had not been a Deputy for five years.

33 WORK PROGRAMME/FORWARD PLAN

RESOLVED, that the work programme be noted.

Chairman

The meeting ended at 4:10 p.m.

NOTE: These minutes will be confirmed as a correct record at the next meeting of the Committee.