

ITEM 4

Time commenced - 18:00

Time finished – 19:56

SCRUTINY MANAGEMENT COMMISSION 13 DECEMBER 2011

Present: Councillor Higginbottom (Chair)
Councillors Harwood, Keith, F Khan, Naitta and
Roberts

In attendance: Councillor Barker

Councillor F Khan was absent for minute numbers 42 to 50 inclusive.

42/11 Apologies

Apologies for absence were received from Councillor Dhindsa.

43/11 Late Items to be Introduced by the Chair

There were no late items.

44/11 Declarations of Interest

There were no declarations of interest.

45/11 Minutes of the Meeting held on 8 November 2011

The minutes of the meeting held on 8 November 2011 were agreed as a correct record and signed by the chair.

46/11 Call-in

There were no items.

47/11 Councillor Call for Action

There were no items.

Items for Discussion

48/11 Structure of the City and Neighbourhood Partnership Team

The commission received a presentation from Andy Thomas, Head of Service in Partnerships and Communities. It was reported that the formation of the City and Neighbourhood Partnership team arose from a decision to merge three service areas; Derby City Partnership, Community Safety Partnership and neighbourhood working. Following a reduction in external funding, the three service areas struggled to operate as separate sustainable entities. The new structure endeavoured to protect and sustain the key elements of each service area.

The Head of Service provided the commission with outline details of the new structure. Members noted that previously, the function of the partnership was discrete from the council. The new partnership formed a council department which worked with a range of agencies.

Details of proposed Partnership Managers together with Derby Homes Housing and Partnership Managers were circulated to members of the commission. The Head of Service highlighted strategic area leads which were allocated to individual managers. Governance and member development, for example, was a strategic area in which managers would examine key issues and respond to the training requirements of members.

The commission expressed concern in relation to the pressure that additional work, together with the budget constraints, would place on resources. Members felt that the significant reduction in numbers of staff would increase work pressure on individuals. This may result in increased levels of stress-induced sick leave. Members recognised the need to achieve savings; they felt, however, that the impact of reduction in staff numbers could have an adverse affect on the future of the service.

The Head of Service acknowledged the difficulties presented by the need to respond to different priorities within different neighbourhoods. The commission was advised that the partnership would receive back office administration support through its links with Streetpride.

The Head of Service informed the commission that the new structure would be implemented on 7 January 2012.

Resolved to note the presentation.

49/11 Revised Employee Code of Conduct

The commission considered the revised Employee Code of Conduct in response to a request from Councillor Barker, who sought clarification of the proposed guidelines. Particular attention was focused in relation to employees' membership of external organisations, specifically Prescribed Organisations.

Kelly Harrison, Human Resources Advisor, advised the commission that careful consideration was given to the construction of clauses. If a clause was too prescriptive, it could not anticipate all eventualities. It was reported that clauses needed to retain an element of flexibility in order to operate effectively.

The commission was informed that clause 2.6 of the revised code provided a procedure which could be utilised, should an employee face criminal charges. If the contract were frustrated, as a result of an employee's conviction, the council could find reasonable grounds for dismissal.

The commission were further advised that clause 2.5 of the revised code was a mechanism to record employees' declarations of interest. The clause was included as an anti-fraud measure, designed to ensure that the council retained transparency in all transactions.

The commission noted that the values of Derby City Council, which were included on page 2 of the revised code, would need to be updated to incorporate the latest agreed values of the council.

The commission requested that the HR Advisor would ensure that the revised code complied with the requirements of the Equality Act 2010. Members suggested that it may be appropriate to amend the code to include an introductory paragraph on equalities.

Resolved to:

- 1. request that the HR Advisor ensure that the revised Employee Code of Conduct complies with the requirements of the Equality Act 2010;**
- 2. recommend to Council that the revised Employee Code of Conduct be approved subject to the following amendments:**
 - a. the inclusion of an introductory paragraph, reflecting the code's compliance with the Equality Act 2010; and**
 - b. the update of clause 2.1 General standards, to incorporate the latest agreed values of the council.**

50/11 Review of Governance and Ethical Standards

The commission received a report from Mahroof Hussain, Overview and Scrutiny Manager. The report outlined a response to the request for a review of the council's governance arrangements and ethical standards framework, following the enactment of the Localism Act 2011. It was reported that the Act permitted local authorities to review and change their adopted model of governance. Members were informed that the Act abolished the Standards Board for England and removed the statutory obligation requiring local authorities to operate a Standards Committee. The Act required local authorities to promote and maintain high standards of conduct by elected and co-opted members, assisted through the adoption of a Code of Conduct.

The Overview and Scrutiny Manager summarised the results of the research and evidence gathering exercises, which were undertaken by the commission in response to a request from the Governance Committee.

Resolved that the Scrutiny Management Commission recommends that the Council:

- 1. retains the current political management system with strong leader and cabinet and overview and scrutiny;**
- 2. amends the constitution and ensure opposition members to chair overview and scrutiny commissions;**
- 3. requires the Chief Executive to develop a protocol for draft cabinet reports to be presented to relevant scrutiny commissions at the earliest opportunity;**
- 4. ask the SMC to receive quarterly reports on actions taken by the Council Cabinet to commission recommendations;**
- 5. adequately resource the scrutiny support function to deliver effective scrutiny, commensurate with the size and range of responsibilities of the City of Derby;**
- 6. ask the SMC to undertake a review of the electoral cycle;**
- 7. ensures minutes of commission meetings reflect the debate as well decisions and recommendation;**
- 8. adopts a member code of conduct and retains the standards committee in the current format with four independent (non voting) members and three elected members;**
- 9. change the procedure to allow councillors to receive details about the complaints made against them at the first instance;**
- 10. streamline the Standards Committee process for considering complaints against members; and**
- 11. approach other peer authorities with a view to having a reciprocal arrangement to undertake each other's investigations.**

51/11 Cleaning and Caretaking Review – Draft Business Case

The commission received a report from Christine Durrant, Director of Planning and Facilities Management and Sandra Cole, Head of Facilities Management, on behalf of the Strategic Director of Neighbourhoods.

The Director of Planning and Facilities Management outlined the draft business case, which was intended to support the realisation of a £444, 000 budget savings target and accordingly, recommended option 3. The Director explained that implementation of option 3 would outsource the cleaning services only and would retain the caretaking services/site management service within the Facilities Management Division.

The Head of Facilities Management informed the commission that research had indicated that external companies could deliver the cleaning service at a reduced price. A change in the way the service was administered, together with a revised specification would prove efficient and cost-effective. It was reported that the research could only be considered as indicative, rather than certain, as it had not been tested in the market.

The commission noted that inaccuracies had been identified in the research undertaken by PricewaterhouseCoopers. The external consultants had based their evaluation on a comparable figure which was incorrect. The commission expressed concern in relation to the cost of instructing external consultants. Members felt that such work could be carried out in-house; utilising managers' expertise to identify strengths and weaknesses in service delivery. In addition to this, members encouraged the method of sharing best practice with other local authorities.

The Head of Facilities Management advised the commission that the Council Cabinet had approved the proposal to outsource the cleaning service in principle only. The proposal would require further investigation. It was reported that although cleaners worked to an existing specification, future arrangements may require different specifications to reflect the requirements of different buildings. The Director of Planning and Facilities Management explained that private cleaning companies were able to use a different strategic model to provide an efficient service. The director felt that there was an increased level of expertise, together with an investment in innovation in the private sector, where the provision of a cleaning was a company's core business.

The commission was unconvinced that contracting out services was the best option, especially as the majority of staff would move into the Council House in 2012, thus reducing the number of buildings that required cleaning. The commission felt that the reduction from 172 to 128 cleaning and caretaking staff (achieved over the last 18 months) together with the anticipated future reduction of 20 staff, would improve the competitiveness of the in-house provision against external comparisons. Members discussed the merits of changing from output to outcome related processes as they considered it more important to improve efficiency and maintain clean premises.

The commission were minded to support option 1, namely 'to continue to deliver the service through directly employed cleaners and caretakers and achieving the savings target through implementing new and innovative approaches, including new equipment where appropriate.' The commission felt that it was important to retain direct management of staff and invest in their equipment. The commission accepted that there was an inherent risk that the cleaning of the council's public buildings would become unsustainable. In recognition of this, the commission recommended

that a tendering exercise was undertaken by officers, to test the market and to obtain accurate information regarding potential savings.

Councillor Keith asked for his vote against the commission's decision, to recommend option 1, to be recorded in the minutes.

Resolved:

- 1. to express their concern over the use of the consultants that had carried out the initial review and estimated the level of savings that should be able to be achieved. It was felt that management were best placed to look for improvements and efficiencies in service delivery; and**
- 2. to select Option 1 as the preferred approach, but accepting that it would be sensible to carry out a tendering exercise to test the price of the in-house service provision.**

52/11 Scrutiny of items considered by the Council Cabinet not included in the Forward Plan

There were no items.

53/11 Forward Plan

The commission noted the contents of the December Forward Plan and expressed a desire for further information in relation to the Castleward Urban Village Progress Report, reference number 04/11. The request was made in anticipation of concerns regarding the impact caused by the removal of Liversage Street car park. The commission requested confirmation of the estimated loss of income and information relating to the provision of alternative public car parking.

Resolved to:

- 1. note the Forward Plan; and**
- 2. request the relevant officer's attendance at a future Scrutiny Management Commission, in relation to the Castleward Urban Village, to discuss the impact caused by the removal of Liversage Street car park, with particular regard to the estimated loss of income and provision of alternative public car parking.**

54/11 Retrospective Scrutiny

There were no items.

55/11 Response of the Council Cabinet to Commission's
Recommendations

There were no items.

MINUTES END