

# Overview and Scrutiny Committee

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Wednesday, 17 December  
2008

## MINUTES

### Present:

Councillor Phil Mould (Chair), Councillor David Smith (Vice-Chair) and Councillors K Banks, M Chalk, W Hartnett, R King, D Taylor and D Thomas.

### Also Present:

Councillors Cookson and Farooqui

### Officers:

A Heighway, E Hopkins and P Rose and L Tompkins

### Committee Services Officer:

J Bayley and H Saunders

## 122. APOLOGIES AND NAMED SUBSTITUTES

There were no apologies for absence or any named substitutes.

## 123. DECLARATIONS OF INTEREST AND OF PARTY WHIP

There were no declarations of interest or of any party whip.

## 124. MINUTES

### RESOLVED that

**the minutes of the meetings of the Committee held on Wednesday 6 November and Wednesday 26 November be confirmed as correct records and signed by the Chair.**

## 125. ACTIONS LIST

The Committee considered its list of agreed actions and specific mention was made of the following matters:

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Chair

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a) Joint Scrutiny into Flooding Group recommendations

Officers referred to item five on the Actions List and informed Members that all Councillors had been invited to attend the meeting of the Overview and Scrutiny Committee when the presentation of the Flooding Review recommendations was due to take place, on Wednesday 4 February.

b) Communications Task and Finish Group

Members also discussed item six on the Actions List and noted that Officers were due to present a report to the Executive Committee on 7 January which proposed the re-introduction of a Civic Newspaper. This would address recommendation 5) of the Communications Review report. The other recommendations of the Communications Task and Finish Group would be reconsidered in an amended form at the meeting of the Executive Committee on Wednesday 18 February.

c) Scrutiny of Performance Training

Item eight on the Actions List was also discussed by the Overview and Scrutiny Committee. Officers explained that Mr Philip Whiteman, from the Institute of Local Government Studies (INLOGOV) at the University of Birmingham, had been invited to deliver this training. The training session had subsequently been booked to take place on the evening of 23 March, a scheduled date for a Member Development event. All Members would be invited to attend this session. Officers confirmed that Bromsgrove District Council, Stratford District Council, Wychavon District Council and Wyre Forest District Council would all be approached to discuss the possibility of offering this training as part of a shared service arrangement.

**RESOLVED that**

**subject to the above comments, the contents of the Actions List be noted.**

**126. CALL-IN AND PRE-SCRUTINY**

There were no call-ins or suggestions for pre-scrutiny.

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## 127. TASK & FINISH REVIEWS - DRAFT SCOPING DOCUMENTS

There were no draft scoping documents for consideration at the meeting.

## 128. TASK AND FINISH GROUPS - PROGRESS REPORTS

The Committee received update reports in relation to current reviews.

### a) Council Flat Communal Cleaning – Chair, Councillor P Mould

The Chair explained that the Council Flat Communal Cleaning Task and Finish Group was scheduled to meet on Friday 9 January. Group members had also arranged to attend a meeting of the Borough Tenants' Panel on Tuesday 27 January to consult with tenant representatives over the Group's potential proposals for cleaning arrangements. He explained that the Group was hoping to attend a meeting of the Leaseholders Group to undertake similar consultation work.

### b) Role of the Mayor Task and Finish Group – Chair, Councillor M Chalk

Councillor Chalk explained that Officers were working to provide costings for a number of the Group's recommendations. He suggested that the Group was on course to report back before the Committee on Wednesday 14 January.

### c) Third Sector Task and Finish Group – Chair, Councillor D Thomas

Members agreed that this report would be covered under item eight on the agenda.

**RESOLVED that**

**the Task and Finish Group update reports be noted.**

## 129. THIRD SECTOR TASK AND FINISH GROUP - REPORT

The Third Sector Review report was presented by the Chair of the Task and Finish Group, Councillor D Thomas, and Councillors Banks and Farooqui.

The Chair of the Group explained that the Group had produced an executive summary report and a larger, evidence-based report. These reports contained the Group's recommendations. She informed Members that the larger report contained further information about the recommendations.

The Chair of the Group reminded the Committee that Mrs Ann Sowton, from the Bromsgrove and Redditch Network (BARN), a local infrastructure organisation that worked in support of all local third sector organisations, had been co-opted onto the Task and Finish Group. Mrs Sowton had been invited to participate due to her extensive experience of working in the Voluntary and Community Sector.

The Chair of the Group explained that as part of the review process the Group had interviewed a number of expert witnesses. This included interviews with relevant Officers from Redditch Borough Council and with Officers from two best practice organisations: Gloucester City Council and Worcestershire County Council. She explained that the Group had hosted a Voluntary Sector Grants Consultation Event on Friday 21 November which had been attended by representatives of local third sector organisations. The contributions from representatives of the third sector had been considered during subsequent meetings of the Group and had informed the Group's recommendations.

The Committee discussed the first recommendation: '*we recommend that the Council adopt a written policy and procedure*'. The Chair of the Task and Finish Group explained that the Group had not written a Grants Policy and Procedure for the consideration of the Committee. Instead, they had approved a number of principles which they believed should be incorporated into a final written Grants Policy and Procedure. The Group believed that this written Grants Policy and Procedure should be produced by relevant Officers.

Members of the Group explained that the Council did not have a written Grants Policy and Procedure. Draft Grants Policy and Procedure documents had been produced but had never been approved. However, based on the evidence gathered during the

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course of their review, the Group had come to the conclusion that a written Grants Policy and Procedure would represent best practice and therefore should be adopted at Redditch Borough Council. The Chair explained that the Group had also believed that a written Grants Policy and Procedure document would bring some stability to the Council's grants process. The Group had felt that this had been absent in recent years due to piecemeal alterations to the grants process.

Members discussed recommendation 1f: *'decisions about funding for both the Shopping, Investing and Giving parts of the framework, should be made on a yearly basis'*. A number of Members suggested that this recommendation appeared to conflict with recommendation 5f: *'we recommend that there be...a review of how multi-year funding arrangements should be implemented as part of the Council's grants process'*. Officers explained that there was no conflict between these two points. Recommendation 1f, related not to providing funding for only one year but rather to decisions about funding being made on an annual basis. Members requested that recommendation 1f be altered to clarify this principle.

Officers explained that multi-year funding arrangements would be very complicated to implement at Redditch Borough Council. The standard arrangements for multi-year funding conflicted with the Council's procurement rules. They suggested that this potential for conflict indicated the need for further work to be undertaken to review the Council's Procurement Code, as proposed in recommendation 5e.

The Committee discussed recommendation 1e: *'third sector organisations should have opportunities to bid for both Strategic Grants and contracts as part of the Council's Shopping arrangements'*. Members questioned whether Service Level Agreements (SLAs) could be offered as part of this framework. The Chair of the Group confirmed that theoretically SLAs could be offered as part of this arrangement. However, she informed Members that, unlike contracts, SLAs were not legally binding agreements.

The Chair of the Group explained that Worcestershire County Council utilised a bespoke form of Shopping arrangement in the form of Strategic Grants. Strategic Grants were large grant agreements between the Council and the recipient third sector organisation. Robust monitoring arrangements were utilised to ensure that the terms set out in a contract or Strategic Grant agreement were adhered to. In the event that the recipient third sector organisation could not prove that they had fulfilled all the

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terms set out in the agreement the Council could justifiably withhold any further instalments for funding.

The Committee discussed recommendation 1i: '*organisations should demonstrate an outcomes focus in applications for funding*'. Members questioned whether it would always be possible for organisations to demonstrate that they achieved certain ambitious or large outcomes. However, the Chair explained that this represented best practice in relation to funding third sector organisations and that relevant Officers would provide guidance to ensure that unrealistic expectations about outcomes did not impact on the grants process.

The Committee discussed recommendation 1h: '*decisions about grants should be made in accordance with assessment of need rather than in accordance with demographic considerations*'. Members of the Group explained that the idea of allocating grants in accordance with demographic considerations had been raised during the course of the Voluntary Sector Grants Consultation Event. Delegates had unanimously opposed distributing funding in accordance with demographic considerations and had instead suggested that the Council should distribute funds in accordance with needs.

Members discussed recommendation 1j: '*the Council's funding application forms should be aligned with Worcestershire County Council's application forms*'. The Committee questioned whether different application forms would be available for smaller and larger grants. The Chair of the Group explained that the two main forms utilised by Worcestershire County Council were for their larger, Strategic Grants, and smaller, Community Grants.

Members discussed recommendation 1l: '*organisations should be able to secure full cost recovery with all applications for full cost recovery being assessed on a case by case basis*'. This was an issue that had been raised during the Consultation Event. Delegates had explained that when full cost recovery was not available organisations could have difficulties delivering the services or activities for which they had been awarded funding.

The Committee considered recommendation 1m: '*small grants should be regarded as sums valued at a maximum of £5,000 and large grants should be regarded as grants valued at over £5,000*'. Members suggested that this was a relatively large sum particularly for small, community-based organisations. Officers explained that this figure had been identified as the cut off amount between large and small grants at both Gloucester City Council and

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Worcestershire County Council. Moreover, the figure of £5,000 was significantly less than the £10,000 limit for Project Grants currently adopted by the Council.

The Committee considered recommendation 2a: *'we recommend that the Council's purpose for funding the third sector should be aligned to the following mission statement "Redditch Borough Council supports Voluntary and Community Sector organisations because we believe that a vibrant third sector is vital to our community. We feel that in the current economic climate we must ensure that our valuable resources are used to best effect"'*.

Members suggested that the final sentence should be removed from the mission statement because it appeared to assume that the existing economic climate would continue to apply in the future, which might not necessarily be the case.

The Committee discussed recommendation 3: *'we recommend that the Shopping, Investing and Giving funding framework be adopted for the Council's Grants Process'*. The Chair of the Group explained that the Group had decided not to recommend any prescriptive arrangements for the division of the grants budget between the Shopping, Investing and Giving elements of the funding framework. In some years the Executive Committee might not want to buy any services as part of the Shopping element of the grants process, which would leave more money available to distribute as part of the Investing and Giving elements of the funding process.

Recommendation 4: *'we recommend that the Council officially endorse the Worcestershire Compact'* was also discussed by the Committee. The Chair of the Task and Finish Group explained that the contents of the Worcestershire Compact agreement should be regarded as providing a framework for best practice. The Worcestershire Compact agreement had been formally approved by all the other local authorities in Worcestershire. However, in Redditch, the Worcestershire Compact had only been approved by default. The Task and Finish Group had felt that this situation needed to be addressed through formal endorsement of the Compact.

Finally, the Committee considered the potential sixth recommendation, relating to Officer support, that had been proposed by the Task and Finish Group. The Chair of the Group explained that the Group had recognised that if their other recommendations were endorsed additional work would be created for Officers managing the Council's grants process. Under these circumstances they had felt that additional Officer support would be

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required. However, the Group had been concerned about the financial implications of employing an additional Officer or Officers. The Group had been unable to agree a single recommendation to address this situation. They had therefore proposed a list of four potential recommendations for the consideration of the Overview and Scrutiny Committee.

The Committee discussed the four different options. A number of Members expressed concern about options A and B, relating to the employment of an additional Officer to manage the grants process, to be funded either using a portion of the grants budget or subject to a successful revenue bid. Members noted that an Officer post would be expensive and would divert a lot of funding from the grants budget which could be allocated to third sector organisations.

The Chair of the Committee informed Members that he was concerned about the ability of the Policy Team, which had responsibility for the grants process, to manage the additional responsibilities that would be created if the Task and Finish Group's recommendations were approved. However, he was also concerned about how any additional Officer post could be funded.

The Chair suggested that the best option would therefore be to endorse Option C, relating to the employment of a clerical support worker. This recommendation would ensure that an employee was in post to assume responsibility for administrative processes, which would enable the more senior Officers could devote their time to more strategic responsibilities. The recommendation would also be cheaper than recommending that an additional Officer post be created to manage the Council's grants process.

The Committee discussed the proposed endorsement of option C further. They agreed that they would prefer for the post to be funded through a revenue bid. However, they noted that in the existing economic climate this option might not be feasible. Under these circumstances they agreed that a second preference should be provided for this recommendation: that the post be funded using a portion of the grants budget.

## **RESOLVED that**

- 1) recommendation 1f be amended to clarify the meaning of the recommendation in accordance with the preamble above;**



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- 2) **the final sentence in the mission statement, as detailed in recommendation 2a, be removed, as detailed in the preamble above;**
- 3) **a sixth recommendation be added stating that, subject to the successful submission and approval of a revenue bid the Council introduce a clerical support post in the policy team to support the grants process / OR subject to funding using a portion of the grants budget the Council introduce a clerical support post in the policy team to support the grants process; and**
- 4) **the Executive Committee be asked to consider the recommendations of the Third Sector Task and Finish Group, as amended by the Overview and Scrutiny Committee and as detailed in the resolutions above.**

## 130. HOUSING MUTUAL EXCHANGE - REVIEW

The Vice-Chair of the Overview and Scrutiny Committee, Councillor Smith, chaired the meeting for this item.

Councillor Smith explained that he had proposed this as an item for scrutiny because he felt that there had been a need to clarify the Council's Housing Mutual Exchange policy and procedures. He proposed that the Committee consider the item in accordance with the order of the questions which he had addressed to Officers on the subject (for a written record of these questions and the answers recorded by Officers please refer to Appendix A).

- 1) How many exchanges have been sanctioned so far in the current year – 2008/2009?

Officers explained that an internal audit of the Council's arrangements for housing mutual exchange had been undertaken during the previous month. This had identified that the Council did not have a system that could log the number of housing mutual exchanges that had taken place in the previous twelve months. However, Officers had been able to identify that twenty-four housing mutual exchanges had occurred in the previous eight months.

Members questioned how tenants could arrange to have a housing mutual exchange. Officers explained that the housing mutual exchange process was complicated. Exchanges could only be made with people inhabiting similar sized properties, in terms of the number of bedrooms within

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the property. Exchanges could be made if the other property had one more or one fewer bedroom than the tenant's existing property.

Officers explained that housing mutual exchange was often attractive to tenants who wished to increase the size of their housing or to change the location where they lived in a relatively easy manner. Extra points were allocated to people living in properties with a larger number of bedrooms to encourage them to downsize. The housing mutual exchange process was subject to specific legal criteria. Tenants were eligible to apply for a housing mutual exchange unless they were proposing an arrangement that would not comply with this set of legal criteria.

2) What are the costs involved in arranging an exchange including the cost of Officer time?

Officers explained that information about the costs involved in arranging a housing mutual exchange was not available. The details provided in the written response to Members had therefore been estimated figures. However, Officers proposed that they track the costs involved over a period of months and report the results at a later meeting of the Committee.

3) Is there a Monetary Bond that covers the cost of any necessary repairs or damage caused by existing tenants?

Officers explained that the Council's inspectors used a check list when assessing the condition of a property prior to an exchange. Tenants assumed responsibility for the condition of a property when they moved into their new housing.

Members discussed this arrangement and suggested that photographic evidence might be used to provide proof about the condition of a property when a new tenant moved onto the premises. Officers explained that photographic evidence was not currently made available but could be incorporated into the housing mutual exchange process.

Officers explained that the internal audit that had been undertaken had reviewed the physical process of housing mutual exchanges. The internal audit report had not though assessed the suitability of the advertising process for housing mutual exchange. In Redditch the computer system did not contain records of properties available for exchange

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from areas outside the Borough, despite the fact that some tenants moved to other parts of the country when participating in a housing mutual exchange.

The Committee was informed that in previous years the Government had maintained a central database of properties that were available across the country for housing mutual exchange but this had been discontinued. A private company, HomeSwapper, also provided a national database of properties. Local authorities could subscribe to accessing and advertising local properties on this database, at a cost of £2,500 per annum. Redditch Borough Council did not currently subscribe to this service.

Members suggested that the Council could reimburse tenants for advertising their properties with HomeSwapper. Officers confirmed that some Councils did reimburse their tenants in this manner.

Members noted that they had spent some time discussing three of the five questions. They agreed that no further consideration of the Officers' responses to these questions would be required during the meeting.

## **RESOLVED that**

**the report on housing mutual exchange be noted.**

### **131. PORTFOLIO HOLDER ANNUAL REPORT - QUESTIONS**

The arrangements for the Portfolio Holder for Leisure and Tourism's Annual Report were also considered by the Committee. Members agreed a number of questions for the Portfolio Holder to address during his Annual Report (Appendix B).

### **132. REFERRALS**

There were no referrals.

### **133. WORK PROGRAMME**

Officers informed Members that there would be an additional meeting of Committee on Monday 26 January from 7.30 in Committee Room Two. This meeting was required to enable the Committee to scrutinise the Council's Medium-Term Financial Strategy.

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Members discussed the arrangements for this meeting and noted that the Planning Advisory Panel was also scheduled to meet on the evening of Monday 26 January. They requested that relevant Officers be approached to arrange for the Planning Advisory Panel meeting to start earlier in the evening at 18.30.

Officers explained that the Overview and Scrutiny Committee was scheduled to receive an update on responses to the Communications Task and Finish Group's recommendations on Wednesday 8 April. However, the Executive Committee would not have made a decision with regards to the Task and Finish Group's recommendations until the 18 February. Members therefore agreed to postpone monitoring the impact of these recommendations until 14 October.

## **RESOLVED that**

- 1) Officers be asked to reschedule the Planning Advisory Panel meeting to begin at 18.30 on Monday 26 January;**
- 2) the update on responses to the Communications Task and Finish Group's recommendations be postponed until Wednesday 14 October; and**
- 3) subject to the above, the Work Programme be noted.**

The Meeting commenced at 7.00 pm  
and closed at 9.05 pm