

APPENDIX A
Overview and Scrutiny Committee
Revisions to the Medium Term Financial Plan 2012/13 – 2014/15
Pre-Scrutiny
Questions for Officers

A number of questions were raised by members of the Overview and Scrutiny Committee on the subject of the proposed revisions to the Medium Term Financial Plan during a meeting of the Overview and Scrutiny Committee on Tuesday 19th June 2012. The Executive Committee is due to consider this item on 26th June 2012. The Overview and Scrutiny Committee will be holding an additional meeting on 25th June to address these questions and to provide the Committee with an opportunity to forward their proposals about the subject on to the Executive Committee.

The following questions were proposed by the Overview and Scrutiny Committee:

General Budget Package

- 1) Is it true that these proposals will result in a reduction in the amount taken from the Council's reserves? (Please elaborate).

There will be a reduction in balances rather than a reduction in reserves. The Council's balances are currently £1.160 million. Subject to the revisions being made the reduced requirement of release in 2012/13 of £192,000 to meet revised budget requirements will lead to a reduction of balances to £968,000. The prudent level of balances for a local authority the size of Redditch Borough Council is £750,000.

(Reserves are funds that are set aside by the Council for spending to which the Council is committed in future years. Balances are non-committed funds. The Council often returns funds to balances where budgets have not been fully spent).

Additional Service Proposals

Pre-09.30 Concessionary Bus Travel:

- 2) Will additional card passes be required to enable eligible customers to travel at a concessionary rate prior to 09.30?

Yes additional cards would be required unless the Council was willing to accept all Worcestershire pass holders. Any cost implications to this requirement are currently being investigated by Officers.

At the meeting today with Worcestershire County Council it was made clear that it would be possible for stickers to be devised that could be issued by the Borough Council to its eligible residents and put on the

reverse of the existing card passes. This would remove the necessity and cost of issuing new or additional cards.

- 3) Will additional reader equipment need to be installed on buses operating within the Borough to enable eligible passengers to pay concessionary rates pre-09.30?

No, this would not be required. However, there would be costs in re-programming ticket machines and there could be technical difficulties in differentiating between pre 09:30 and post 09:30 concessions. As a consequence consideration may need to be given to issuing Smart passes which has a cost of £1.70 per pass. Again, Officers are currently investigating this further as well as any cost implications.

If the option of issuing stickers to place on the reverse of the card is implemented there would be no requirement for additional reader equipment to be installed.

- 4) What measures will be taken to ensure that only Redditch residents are able to take advantage of the concessionary travel option pre-09.30?

Please refer to the response to question 2 above.

- 5) Has the offer of pre-09.30 concessionary bus travel been fully costed?

Worcestershire County Council have provided Officers with an estimate of the cost of operator reimbursement and any additional costs are currently being looked at (a meeting is being held with County Officers on Monday 25th June 2012 and any additional information will be presented at the Committee meeting).

If the option outlined in response to question 2 above in green is implemented. It is felt that this has been fully costed. However, the annual amount, £86,000, is dependant on Worcestershire County Council negotiating the contract with the bus companies.

- 6) Will monitoring arrangements be put in place to assess the pre-09.30 concessionary travel arrangements? If so how long will this monitoring be implemented?

Systems will be put in place to monitor and record usage of the pre-9.30 arrangement and this would be an ongoing monitoring process.

Free Swimming:

- 7) How will the Council check that people taking advantage of free swimming opportunities are eligible? (i.e. aged under 16 years or over 60). Who will be checking on eligibility?

Redditch residents will be required to complete a Reddicard application form which is also revised to include specific questions around free swimming eligibility. Residents will be required to show proof of age and address through production of ID such as a utility bill or driving license. This is more difficult for children under 16, although they can obtain a European Health Insurance Card (EHIC) which can be obtained free of charge from the NHS.

Children will only be eligible to access free swimming until they reach their 16th birthday. Reddicard will be programmed in to record this date and once the individual reaches their 16th birthday this will show on the Reddicard screen and they will not be allowed to continue their free swimming. Residents will be issued a Reddicard free of charge in line with the previous scheme in Redditch, and the card will be programmed so that card holders can only receive swimming free of charge.

- 8) How will the Council ensure that people taking advantage of free swimming opportunities are Redditch residents?

This is incorporated into the response to question 7 above.

- 9) Will proof of residency need to be provided? If so will this involve existing forms of proof of residency or a new form of proof?

This is incorporated into the response to question 7 above.

- 10) If a new form of proof of residency is required how long will this take to develop?

The existing Reddicard application can be used within this process along with a guidance sheet which explains the eligibility criteria and signposts residents to the web sites and contact numbers of the relevant organisations that supply this information.

- 11) If there will be a card system for proof of residency what will be the financial costs involved in implementing this system? Has this figure been included in existing costings or will it be in addition to calculated costs of delivering free swimming?

Yes this cost is incorporated into the £47,000 pro-rata budget allocation for 2012/13 (see Appendix 1).

- 12) Will there be a method for identifying how many new swimmers have been attracted to the activity by the offer of free swimming? If so what will this consist of?

Generally, the existing management system can provide categories for both under 16's and over 60's swimming so each swim can be tracked to monitor usage.

Additional reports can be provided by the system provider which can ascertain whether residents accessing free swimming were previous users / Reddicard holders. Currently this cannot be achieved for non-card / pay and play users.

Additional Apprentice Position:

- 13) What will be the age of the apprentice?

Officers cannot provide a definitive answer to this question as it is dependant on the applications received by the Council for the apprenticeship. However, historically successfully appointed apprentices have been between the ages of 16 – 24.

- 14) Will the apprenticeship post be a full-time position?

Yes. Depending on the nature of the training the apprentice is undertaking, this may include a day-release to attend college.

- 15) Does the £8,000 figure identified in the report cover the costs for the whole year or for the remainder of the financial year?

The salary cost for an entire year is £6,500, so the £8,000 figure identified also takes into account on-costs.

- 16) If PAT testing is delivered in house by a Council employee how will the Council ensure that there are no conflicts of interest?

PAT testing was delivered in house in previous years. No conflicts of interest were identified in previous years in relation to this matter and therefore Officers were not anticipating that there would be any conflicts of interest that would need to be addressed for the apprenticeship.

- 17) What will the total financial cost be for the apprenticeship at the end of the training?

This is dependent on the nature of the training being undertaken and the willingness / ability of the Council to support the individual for the entire duration.

- 18) Will an employment opportunity be made available to the individual at the end of the apprenticeship?

The individual is able to apply for any vacant posts that may be available at the end of the apprenticeship, but there is no guarantee of employment.

Savings to Fund Budget Proposals

Leisure Option Appraisals:

- 19) Is Redditch Borough Council's Leisure Services team going to continue to deliver services in house?

No discussions have been held with regard to the model of service delivery that is currently operated by the Council in relation to this matter.

- 20) If so what will be the implications?

As no change is currently under discussion regarding this matter there are no implications to be considered at this time.

Consultancy Budget:

- 21) Has the £65,000 of the consultancy budget allocated to the local plan enquiry already been paid out?

£65,000 was allocated to the local plan enquiry. At some point in the future this figure will need to be spent on the enquiry, though the date has not yet been set. The funds for expenditure will be derived from the Council's balances.

Different Councils address local plan enquiry expenditure in different ways. This can include allocating funds to the enquiry from balances when required.

- 22) If so how does this figure represent a saving?

The £65,000 identified represents a saving for the year. However, in the long-term expenditure on the local plan enquiry will need to be made using funds from balances. The provision of funds from balances for this purpose will require Council approval.

- 23) The savings detailed in the report indicate that the consultancy budget of £89,000 will be removed and the Executive Committee will be approached on a case by case basis to consider any additional requests for consultancy support. If this budget has been removed where will the funds be obtained for any additional consultancy support that may be approved by the Executive Committee during the year?

This question has largely been addressed in answer to questions 21 and 22 above.

Capital Repairs of Public Buildings:

- 24) Last year Members were advised that there was a minimum amount of funding that was required to maintain public buildings. What impact will the proposed reduction in this budget have on the ongoing maintenance of these buildings and what will be the financial implications for building maintenance in the long-term?

In the long-term a reduction in the budget allocated to capital repairs to buildings will impact on the level of refurbishment of those buildings. However, at this stage, it is being proposed that £50,000 be removed from the original sum of £250,000 that was originally allocated to capital repairs for 2012/13. This reduction has not been extended to the following two years. £250,000 has been allocated to this budget in both years. As a consequence, the impact of this reduction may be limited.

There is the possibility that it will not be possible to complete some capital works this year as a result of the reduction in the budget for 2012/13. Any works that it is not possible to fund will be addressed in subsequent years.

Advertising Budget Reduction:

- 25) Recent scrutiny reviews have identified that the Council can sometimes struggle to communicate with the public. How will the Council mitigate the impact of a reduction in the advertising budget on the authority's ability to communicate effectively with local residents?

Often, as departments have their own advertising budgets, the cash is not spent as effectively as it could be as these do not come through the Communications Team. The Communications Team will work with departments to ascertain other channels of communications including press releases, facebook, twitter, the website and campaigns including leaflets and posters.

- 26) Will new approaches be adopted by Officers to advertising and communications to address the concerns identified in question 25 above? If so what will these consist of?

New approaches include making sure the relevant audiences are targeted with the relevant messages - rather than blanket adverts. (E.g Using the frog intranet system to highlight sports activities for youngsters).

Appendix 1

Free Swimming –Cost analysis

Budget Heading	Pro rata Cost 12/13 August-March 12/3	Methodology
Revenue Recovery	£37,495	Loss of income from under 16's and over 60's previously paying for swimming. Based on the usage from the original free swimming programme and first 4 months of usage data for Abbey Stadium.
Additional Staffing Costs – Lifeguards	£5,298 £998	Additional costs of Leisure Assistants (Lifeguards) in order to cater for large volume of usage during weekend/holiday sessions. Also includes on costs. Additional Staff for sign up days
Additional Cleaning/Chemicals/Repairs & Maintenance	£5,188	Due to the high volume of usage at peak periods there is a need to provide additional disinfection to treat the pool. Potential damage may occur to fixtures and fittings due to increases usage. This will include lockers, cubicles, sanitary units etc.

Additional Cleaning/Chemicals/Repairs & Maintenance	£5,188	Due to the high volume of usage at peak periods there is a need to provide additional disinfection to treat the pool. Potential damage may occur to fixtures and fittings due to increases usage. This will include lockers, cubicles, sanitary units etc.
Administration – staff	£3,675	Customer Advisors time to process card transactions, pro-rata to hourly rate.
Administration – card purchases	£1,680	Based on the projected number of people accessing the free swimming programme card purchase price.
Administration - other	£887	Printing
Total:	£55,221	
Vending Commission	-£6,084	Additional commission from vending machine sales
Lockers	-£1,928	Additional income from increased usage from locker
Secondary Sale Income	-£2,525	Additional income from increased sales of swim products
Total Income:	-£10,537	
Nett Budget Amount:	£44,684	For 8 month period 2012/13

Further responses to Members Questions:

- 1) Further information about the capacity of the swimming pool at the Abbey Stadium to accommodate any increase in swimming numbers that might occur as a result of the introduction of free swimming.

It is difficult to predict or ascertain the impact of the free swimming scheme as shown above. The pool currently has capacity for additional users through out the programme, however during peak public swim sessions at weekends/holidays there is the potential for non complementary swimming session to be impacted upon for example fitness swimming sessions. Existing demand is high and will increase through this programme however the traditional times that are popular with junior swimmers are less popular with other pool users and as such the additional usage patterns should have minimum impact upon the overall pool programme. For under 16's swimming there may be a need to put an access control system into place via a traditional band system which involves participants being allowed set swim times in the pool in order to manage the usage pattern and ensure that the diversity and popularity of the programmes are maintained.

The over 60's predominately will be less of an issue as they tend to populate early morning and late afternoon sessions where capacity is greater due to the timing of these sessions.

- 2) Further information about the anticipated secondary spend levels that are likely to be derived from people participating in free swimming.

The existing vending arrangement is provided externally and Redditch Borough Council are paid a commission for each item sold.

This additional income is shown in Appendix 1.