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OVERVIEW AND SCRUTINY COMMISSION - FINANCIAL MONITORING TASK GROUP

5 NOVEMBER 2015

(19.00 - 21.00)

PRESENT Councillors Hamish Badenoch(in the Chair) , Stephen Crowe, Suzanne Grocott, Dennis Pearce and Peter Southgate.

Caroline Holland, Director of Corporate Services, Paul Dale, Assistant Director of Resources, Cormac Stokes, Head of Street Scene and Waste, Marissa Bartlett, Head of HR Joint Transactional Services. Stella Akintan, Scrutiny Officer.

1 APOLOGIES FOR ABSENCE (Agenda Item 1)

Apologies for absence were received from Councillor Peter McCabe Councillor Adam Bush and Julia Regan

2 MINUTES OF MEETING HELD ON 22 JULY 2015 (Agenda Item 2)

The minutes were agreed as a true record of the meeting

3 ANALYSIS OF CURRENT STAFFING VACANCIES (Agenda Item 3)

The Joint Head of HR Transactional Services gave an overview of the report stating that the data focusses on the staffing establishment. The council is currently undergoing significant change and the data presented is a snap shot view from the 1st October.

A Panel member said that the data indicates that some staffing reductions were taken from the wrong areas for example; youth provision has been cut while there are vacancies across the Children Schools and Families Department. The Director of Corporate Services said many of the vacancies are for social work positions, changes to staffing structure were based on service need and it was agreed to maintain the role of social workers.

Panel members asked for clarity on the trend in recruiting agency staff to cover vacancies and what drives the decision to work for an agency rather than the council. The Director of Corporate Services said a number of factors lead to the number of agency staff including; our outer London location, some positions are difficult to recruit to including procurement and legal. In some instances the private sector rates of pay are higher.

A panel member asked if this can be considered a structural staffing model. The Joint Head of HR Transactional Services said that many services are in transition and moving to sharing arrangements. In light of this many managers are reluctant to appoint permanent staff until changes are completed but recruitment is still taking place where necessary. The Director of Corporate Services said further staffing

changes will take place through the target operating models and some jobs will be externalised.

Panel Members sought clarification on the difference between full time equivalents and number of posts. The Assistant Director of Corporate Services said the budget is based on full time equivalents; post provides a generic description of each position in the council.

A panel member asked if budget for staffing had been set at the correct levels given that managers were using budget from one post to fund another one. The Director of Corporate Services said the new HR data will enable officers to drill down to identify if there are any issues.

RESOLVED

The Panel thanked officers for their work and asked for a report on staffing to the next meeting providing an overall view of the whole council to include head count and full time equivalents. Officers are asked to overlay this with financial information if possible.

4 COMMERCIAL WASTE - REPORT TO FOLLOW (Agenda Item 4)

The Head of Street Scene and Waste gave an overview of the report stating that commercial waste is operating with a slight surplus. Some targets have been adjusted to make them more realistic.

A panel member asked if there is scope to increase the current budget surplus. The Head of Street Scene and Waste confirmed that it would be possible depending on the market activity.

Panel members discussed future commercial opportunities and were informed that the free re-recycling service provided to schools will be reviewed.

A panel member asked about future plans to externalise the commercial waste contract. The Head of Street Scene and Waste reported that this will take place from 2017 and is being negotiated through the South West London Waste Partnership.

RESOLVED

Officers were thanked for their work and asked to bring an update in twelve months time with outcomes from the contract negotiations.

5 TRANSPORT SERVICE - REPORT TO FOLLOW (Agenda Item 5)

The Head of Street Scene and Waste gave an overview of the report and stated that the services covered include Passenger Transport to children with Special Educational Needs and vulnerable adults.

A panel member queried the cause of the £650,000 overspend. The Head of Street Scene and Waste said a detailed individual analysis will be required to determine the cause of the overspends. This service area requires a complex juggling act to ensure that the children are not in the transport for extended periods of time.

A panel member said we need to get to grips with the nature of this overspend especially since other services are facing cuts.

Anecdotal evidence suggests it is caused by more children with increased demands. The Head of Street Scene and Waste said there are many variables including the impact of individual routes.

The Assistant Director of Resources said the Children Schools and Families Department are working with families to find alternatives to the use of taxis.

RESOLVED

The chair thanked officers for the work and asked for a report to the next meeting which provides details about the cause of the £650,000 overspend. If any information is available in advance of the meeting this should be circulated to task group members.

6 FINANCIAL MONITORING REPORT - QUARTER 2 (Agenda Item 6)

The Chair asked officers to give an overall trend on delivering savings year on year.

The Director of Corporate Services said this will be the first year that savings are being taken from budgets in this way so there is no historical information.

The Assistant Director of Resources said the shortfall in previous years has masked the underspend.

A panel member said failure to deliver against savings are being masked by underspends elsewhere therefore the council is at risk of not making efficiencies.

The Director of Corporate Services said that tracking and monitoring procedures have been out in place to ensure that savings targets are being achieved by departments.

Panel members sought clarification about how the council would cover the shortfall from the savings that have not been achieved. The Director of Corporate Services confirmed that this would be covered by the General Fund in the short term but could lead to departments having to make further savings in the future.

The Assistant Director of Corporate Services said in order to understand overspends we need clarity on demographic data as the information is contradictory. There are also implications caused by the delay of the Care Act.

RESOLVED

The Panel thanked officers for their work and asked that a financial monitoring report be brought to the next task group meeting containing the following information:

Detailed information regarding of the adult social care overspend and savings targets
Information on the underlying causes for the undelivered savings by department.

7 CAPITAL PROGRAMME - REPORT TO FOLLOW (Agenda Item 7)

This report was deferred to a future meeting.