

BUSINESS OVERVIEW AND SCRUTINY COMMITTEE

Wednesday, 28 November 2018

Present: Councillor J Stapleton (Vice – Chair in the Chair)

Councillors	J Stapleton	S Jones
	J Bird	J McManus
	C Blakeley	D Mitchell
	T Cox	KJ Williams
	D Elderton	S Williams
	K Hodson	

Deputy: Councillor S Foulkes (for P Hackett)

Apologies Councillors M Sullivan G Wood

24 APOLOGIES FOR ABSENCE

Councillor Jean Stapleton welcomed everyone to the meeting which she was chairing as the appointed Vice Chair in Councillor Pat Hackett's absence.

There were apologies from Councillors Pat Hackett, Gill Wood and Mike Sullivan. Councillor Steve Foulkes acted as a Deputy for Councillor Pat Hackett.

25 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST / PARTY WHIP

Councillor S Foulkes declared a personal interest in respect of item 5 by virtue of his position as Chair of the Planning Committee.

26 MINUTES

Members were requested to receive the minutes of the Business Overview and Scrutiny Committee held on 18 September 2018.

Resolved – That the minutes of the meeting held on 18 September 2018, be approved.

27 FINANCIAL MONITORING REPORT - QUARTER 2 2018/19

The Senior Manager for Financial Planning and Policy, introduced the report of the Director of Finance and Investment which set out the Council's revenue and capital monitoring position for 2018/19 quarter 2.

The quarter 2 revenue report showed a forecast for the £0.4million overspend by the year end. This was identified as being £0.5million worse than in the first quarter. The quarter 2 capital report showed an expenditure of to date of £6.4million on a revised programme of £19.2million.

Members were informed that budget movements in quarter two cover a number of issues, the largest of these was the distribution of the £10million transformation funding to Children's Services. It was explained that these movements had no effect on the bottom line budget of the Council and were just adjustments to reflect where budgets should be placed.

The Senior Manager for Finance informed the committee that the 2nd quarter forecast could be attributed as follows:

- **Finance and Resources: Overspend in relation to agency and recruitment costs.**
- **Jobs and Growth: Overspend in this area is Legal costs relating to Wirral Waters One.**
- **Law and Order: Overspend due to enhancement payments, overtime payments and shortfall in income targets.**

Details of the Capital Programme 2018/19 at the end of Quarter 2 were provided in the report as follows:

- **Dock Bridges** – a further of £0.8million had been incurred in respect of the current replacement scheme.
- **Highway maintenance** – the most significant areas of expenditure are in respect of micro asphaltting (£0.85million) and the programme of surface dressings (£0.40million)
- **Sustainable Transport Enhancement Programme (STEP)** – Focuses on 2 significant schemes; Northbank East (£0.46 million) and the Croft Retail Corridor.
- **Transport for Growth** – the most significant being the improvements to the junction of the M53 and A554 (£0.356 million)
- **Grant funding of £0.563 million** – available to fund pothole repairs
- **Street lighting column upgrade/ LED replacement** – the tender will be advertised in November 2018 with an anticipated start date of January 2019
- **West Kirby flood alleviation** – ground work investigations currently being undertaken with the tender to be issued in November.
- **Digital corporate storage** – there are a number of solutions available with each of the main vendors, such as Dell EMC and Netapp offering various options.
- **Windows 10 rollout** – the Digital team would be providing all staff with new computers featuring the latest Operating System (Windows 10),

and providing additional software to make it easier for staff to work in an agile way.

Responding to questions from Members, The Senior Manager informed the Committee that the spend on potholes is now closer to £450,000 and not £300,000 as previously reported. She then informed the Committee that when the forecast is further reviewed she is hopeful that it will come back in a balanced position.

In response to a further question, Members were informed that with reference to the West Kirby flood tender, a series of workshops with residents would be conducted and details have been published in the Wirral View circulation.

A Member then commended Councillor Stuart Whittingham, Cabinet Member for Highways and Transport for his sterling job commissioning pot hole repairs.

Resolved – That the report be noted.

28 **WIRRAL WATERS SCRUTINY WORKSHOP REPORT**

A report by the Chair of the Committee set out the outcomes of a Scrutiny Workshop held in October for Members to scrutinise the latest developments of Wirral Waters. Members heard how the workshop was commissioned as part of the Business Overview and Scrutiny Committee's work programme for the municipal year.

A workshop held on 16 October 2018 had been conducted through presentations delivered by the Assistant Director for Regeneration and Inward Investment and the Director of Development for Wirral Waters before being opened up to a question and answer session. Members from all four of Wirral's Overview and Scrutiny Committees were invited.

The Director for Economic and Housing Growth reported that during the workshop, Members saw the overall vision. He informed the Committee of progress to date and that the Wirral Waters One Project had now been signed off and would be considered at a forthcoming Planning Committee. He advised that the project is beginning to move forward from vision to delivery and expressed the importance of the Council continuing with the same momentum.

In response to a question, the Director for Economic and Housing Growth reiterated the Council's optimism and support for the Wirral Waters scheme. He further advised that a mixed approach should be taken to housing and that family housing is required.

In response to a further question, the Director likened the scheme to Salford Quays and drew upon the positive experiences from that project. In response to a comment by a Member, he then advised that the International Trade Centre that had been planned would not go ahead. He also informed Members that jobs could be developed locally and that the Council increasingly need to work alongside partners to develop skills.

The Director of Economic and Housing Growth highlighted the importance of the Wirral Waters One scheme in beginning to develop and move the project along.

Councillors expressed their support with the progress of the scheme and looked forward to the commencement of building works. Councillors then requested regular reports on the Wirral Growth Company and Birkenhead Town Centre.

Resolved – That the report be noted.

29 **FURTHER INFORMATION REQUESTED IN RELATION TO THE CONSULTANTS AND INTERIMS**

A report by the Interim Director of Change and Organisational Design responded to a request by the Business Overview and Scrutiny Committee at its meeting on 18 September 2018 whereby it was resolved a further report on consultants and interims be brought to a future meeting.

The request asked the Interim Director of Change and OD to outline the following:

1. The possible benefits and dis-benefits of setting a ceiling for the amount consultants and interim staff are paid, reflecting the national paygrades for such work;
2. The possibility of recruiting from outside of the Matrix agency system if the Council is unable to recruit the specialists it needs; and
3. Adding a column into the list of interims/ consultants showing the day rates next to each post, prior to the Committee reaching any decision on the matter.

Members heard how the current agency contract is managed through Matrix SCM who operate a 'managed service' on the Council's behalf, acting as a 'broker' with the wider recruitment market to ensure best value and the right candidates are put forward for temporary placements. Members were advised that Matrix act in the same way as an Insurance Broker and The Council provides details of requirements, including rate and role brief for the work required and they automatically circulate those details to all agencies who are signed up to supply workers in the relevant category.

Members were informed that the net spend on interims and consultants is £46 million and the net saving to the Authority is £6.2 million. It was explained how when the Council has a short term, clearly defined piece of work to deliver which requires specialist skills, it is cost effective to bring in a company or an individual on a shorter term contract to complete the work. Members were informed that using temporary staff brings much less additional costs such as sickness, holidays pension and national insurance and the Authority are not required to continue paying them once their work is complete.

Members then heard how the Council had explored the use of fixed term contracts as an alternative but generally there is a limited scope at more senior and executive level from candidates from the interim market. Members were advised that the Council's Senior Leadership Team had discussed the use of interims and consultants (and wider agency use) in August and agreed some changes to the approach to manage use and costs as robustly as possible. This approach included the following measures:

- Request for all temporary staff must be made via an online internal request approval system.
- Implementation of a 'cap' on agency placements at 12 weeks – any further extensions would require a robust business case before approving.
- It is proposed the approvers would be those currently on the vacancy 'freeze' panel(s) with the recommendation to include a representative from Commercial Management Service to support the panel/ approval process.
- Posts approved for over 12 week placements (e.g. maternity cover, Interims Consultants working on specific projects) will be employed on a fixed Agency finders' fee rate.
- Monthly status report presented to SLT; detailing placements and associated costs.
- Monthly status report to each DMTs, to ensure DMTs take control and that they hold managers to account for managing their temporary workforce.
- Full time resource from Commercial Management dedicated to drive this new approach and model forward, working closely with HR and Finance.

The benefits and disadvantages to applying a payment ceiling was identified within the report. The rationale for using the Matrix contract was then explained to Members as well as the implications of operating outside of Matrix for hard to recruit roles and further implications of terminating the matrix contract.

Appendix A and B set out start dates, end dates and day rates categorised into service area and job titles for the period 2016-17 (appendix A) and 2017-

18 (appendix B). Examples were provided to compare salaries of permanent and interim members of staff demonstrating various on costs associated with permanent members of staff.

Some Members expressed their dissatisfaction with reference to daily rates of some interims and consultants and felt the figures were excessive and unnecessary. They also expressed concerns about the length of time interims and consultants are employed at a daily rate.

Another Member agreed that not all knowledge is in one place and it is often difficult to achieve desired outcomes with limited staff and therefore interims and consultants are often necessary.

In response to a question, the Interim Director explained that a combination of factors mean that Wirral is not always a desirable place to work, some of which being its reputation and geographical factors. The Director for Economic and Housing Growth addressed Members to assure them that there is always clear rationale applied prior to the appointment of an interim or a consultant.

It was then moved by Councillor Chris Blakeley, seconded by Councillor Steve Williams and supported by Councillors Tony Cox, David Elderton & Kathy Hodson that:

“Committee expresses its concern at the amount and cost of interims and consultants.

Committee believes that the excessive payments to consultants is demoralising for lower paid staff.

Committee believes that a system should be introduced that involves elected members before an interim or consultant is put in place. Committee also believes that there should be a limit of 3 months on the employment of interims

We ask the LGA for a comprehensive report on this worrying matter. “

The motion was put and lost (5:7)

It was then moved by Councillor Steve Foulkes and seconded by Councillor Joe Bird and

Resolved (7:5) That –

It is noted that austerity and new ways of working will require temporary skills to allow the Borough to develop.

Committee note the full and frank report which will raise public interest. We welcome assurances that the business case for such expenditure has to be justified.

We would ask for further reports to this Committee and would like to monitor this issue on a regular basis to ensure absolute discipline is exercised.

We ask the LGA for a comprehensive report on this worrying matter.

30 **UPDATE ON LIVERPOOL CITY REGION DEVELOPMENTS**

A Report by the Policy and Strategy Manager set out a brief overview of latest developments at the Liverpool City Region (LCR), including activity underway to implement the City Region devolution deal.

The report set out information, regarding the Strategic Investment Fund, LCR Housing First, Tackling poor air quality across the LCR and High Speed 2 and Northern Powerhouse rail update.

The Policy and Strategy Manager provided a presentation, focusing on the information within the report as follows:

Strategic Investment Fund (SIF)

Members heard how the Combined Authority had recently re – launched Strategic Investment Fund (SIF) - £0.5billion fund to help transform LCR's economy, create high quality jobs and boost living standards for local people.

Members were advised how the underpinning fund is a commitment to social value, with applicants having to demonstrate positive social impact eg local jobs that pay the living wage; recognise trade unions, create apprenticeships; and use local supply chains and labour. I was then reported that around £100million would be available in the first year of the fund, rising to £500 million over four years, to support projects transport infrastructure, economic development, business growth, skills, culture and housing

Tackling Homelessness

Members were informed that the Combined Authority were recently awarded a £7.7million Housing First funding award from the Ministry of Housing, Communities and Local Government.

Members heard how Housing First support services should be commissioned jointly across the Liverpool City Region and must include:

- Skilled, well trained and supported staff;
- A responsive on call 24/7 support service;

- Access to appropriate 2nd tier mental health services.

Members then heard how further details on how the funding can be used, what it will fund, and detailed delivery plans currently being developed in partnership with people who lives experience of homelessness, Local Authorities, Landlords, Homelessness support services and other statutory partners.

Tackling poor air quality across LCR

It was explained how City region partners setting up an advisory LCR Air Quality Task Force, in order to tackle poor air quality to build on the Metro Mayor's key pledge for LCR to be Carbon Neutral by 20140 and to be the greenest UK City Region. Members were advised that there is a growing realisation of need to take urgent action to address challenges presented by poor air quality from nitrogen dioxide (the main pollutant) at a pan-city region level – mainly from transport.

Members heard how Combined Authority Members are to nominate political representatives onto the group and a preliminary LCR air quality feasibility study is currently being finalised, and an action plan would be developed in response.

High Speed 2 and Northern Powerhouse Rail

Members heard how LCR are campaigning for a direct line between HS2 and Liverpool City Centre, that could be used by both Liverpool – London HS2 trains and Liverpool-Manchester Northern Powerhouse trains.

Members were then advised how further updates are expected in coming months, including an outline business case for Northern Powerhouse Rail in December 2018 and publication of the Transport for the North Strategic Transport Plan in January 2019.

The Policy and Strategy Manager concluded her presentation by expressing how Wirral continues to be involved in developing the devolution as well as wider City Region activity. She also informed that ongoing updates would be presented to this Committee.

In response to a question, Members were informed that Wirral Council does have a fund associated with tackling homelessness, this is in addition to the funding of £7.7million recently awarded to the Combined Authority from the Minster of Housing, Communities and Local Government.

A Member made a comment over the need to invest and prioritise the wider rail service and not make HS2 the focus. Another Member commented how the ambition is to both connect the region to HS2 and also improve our train service right across the country.

Resolved – That the report be noted.

31 **LIVERPOOL CITY REGION COMBINED AUTHORITY SCRUTINY PANEL -
VERBAL UPDATE**

The Chair of the Committee informed Members that a work programme is now in place for the LCR Combined Authority Scrutiny Panel. The first meeting of the group was held 28 November 2018 and notes would be circulated in due course.

The Chair informed that next meeting will be held 12 December and will discuss EU funding post Brexit and the impact this would have on the LCR. A future meeting would discuss the effectiveness of careers education and advice for young people before they embark on their careers.

Resolved – That the verbal report be noted.

32 **2018/19 QUARTER 2 WIRRAL PLAN PERFORMANCE**

A report by the Director of Economic and Housing Growth provided the 2018/19 Quarter 2 (July – September 2018) performance report for the Wirral Plan pledges under the remit of the Business Overview and Scrutiny Committee. The report, as included in appendix 1 provided an overview of progress in Quarter 2 as well as providing available data in relation to a range of outcome indicators and supporting measures.

The Quarter one Wirral Plan Performance was summarised as follows:

- The number of jobs created shows strong performance this quarter at 373, a result of SME small-scale recruitment and a large-scale recruitment exercise for one business experiencing rapid growth and further expansion of production lines.
- Wirral's employment rate this quarter has improved to 74.8, the highest recorded figure for this measure. This good performance means Wirral has narrowed the gap with England and is outperforming the North West by 0.4%.
- An extension of European Funds to support young people into work and training through the Wirral Ways to Work Programme has been secured which will enable continued delivery of programmes up to 2020.
- Latest figures show a rise in the value of Tourism to Wirral at £426m; an average increase of 6.6% p.a. since 2014.
- In Quarter 2 there was a major investment in our Assisted Travel Services to help residents with disabilities and special educational

needs to get to our day centres, schools and colleges. The investment in technology and vehicles will enhance the transport experience for service users.

- There has been a reduction in people killed or seriously injured (KSI) in road traffic accidents in Quarter 2, at 17 people, compared to 40 in the same quarter the previous year. A range of initiatives to improve safety have been delivered including motorcycle safety engagements and Bikesafe workshops.
- The annual figure for the Council's emission of carbon dioxide is 26,463 (tonnes) exceeding the target set by 12.3%. Emissions have reduced by 19,018 tonnes from a 2008/09 baseline of 45,481 tonnes, a reduction of 41.8% over 8 operational years, with an annual reduction of 5.85%.

Responding to questions from Members, the Director for Economic and Housing Growth informed that there had been some issues with data collection from Merseyside police with particular reference to road deaths. He advised that this would be corrected and circulated to Members.

In response to a further question, the Director for Economic and Housing Growth informed that small businesses in the area would be supported and encouraged to apply for contracts.

Resolved – That the report be noted.

33 BUSINESS OVERVIEW & SCRUTINY COMMITTEE - WORK PROGRAMME UPDATE

A report by the Chair of the Committee explained the process of developing and managing the Scrutiny Work Programme for the remaining part of the municipal year.

The Scrutiny Officer advised that budget proposals under the remit of this committee would be considered in a workshop due to be held 4 December 2018.

In response to a question from a Member, the Scrutiny Officer advised that a review on car parking and the Wirral Growth Company would be considered in January.

A Councillor then asked that the major disaster in New Ferry in March 2017 be considered as a case study. The Scrutiny Officer advised that this could be considered.

Resolved – That the report be noted.

34 **HIGHWAYS REPRESENTATION PANEL**

The Committee were asked to appoint a replacement Labour Member to the Highways Representation Panel

It was moved by Councillor J Stapleton and duly seconded and

Resolved – That Councillor Pat Hackett be appointed to the Highways Representation Panel .