

Scrutiny Committee
28 June 2010

IRVINE, 28 June 2010 - At a Meeting of the Scrutiny Committee of North Ayrshire Council at 2.00 p.m.

Present

John Hunter, Anthea Dickson, Andrew Chamberlain, Alex Gallagher, Anthony Gurney and Pat McPhee.

In Attendance

I. Mackay, Solicitor to the Council (Corporate Services); B. Docherty, Corporate Director, I. Colvin, Corporate Director (Designate) and O. Clayton, Head of Housing and Building Services (Social Services and Health); A. Herbert, Corporate Director, D. Nibloe, Head of Finance, C. Hatton, Head of Environment and A. Bodie, Head of Infrastructure (Finance and Infrastructure); A. Sutton, Manager Information and Culture and L. Hamilton, Assistant Manager Information and Culture (Education and Skills); A. Anderson, Economic Development Manager (Economic Development), G. Young, HR Manager (Human Resources), M. Adams and S. Cloete, Policy and Performance Officers and A. Little, Committee Services Officer (Chief Executive's Service).

Chair

Councillor Hunter in the Chair.

Apologies for Absence

Matthew Brown, Jean Highgate and David Munn.

1. Declarations of Interest

There were no declarations of interest by Members in terms of Standing Order 16.

2. Council Plan 2010-13

Submitted report by the Chief Executive on the draft Council Plan 2010-13.

At its meeting on 1 June 2010, the Executive noted the findings and recommendations arising from a Golden Thread Healthcheck of the Council's performance management arrangements and the actions being taken to address the recommendations. One of these actions was the development of a Council Plan to address gaps between the overarching Single Outcome Agreement (SOA) and Service Plans and identify the Council's core objectives, core targets and key initiatives / projects.

The draft Council Plan covering 2010-13 was approved by the Executive on 22 June 2010 and was appended to the report. The Plan provided a high level summary of the Council's existing commitments and proposals which have already been approved through other mechanisms. It sits below the SOA and is in line with its outcomes, but provides a more specific description of the Council's main priorities over the next three years. The Plan has four core objectives i.e.

1. Regenerating our communities and increasing employment
2. Protecting vulnerable people
3. Improving educational attainment
4. Operating more efficiently and effectively

A description of what the Council is going to do to achieve these objectives is expanded on within the Action Plan. This gives a broad flavour of the key initiatives and projects which will help achieve the Core Objectives. The Action Plan is drawn primarily from existing commitments in the SOA Action Plan 2010/11 and the Capital Programme 2010-13. The proposed monitoring arrangements include 6-monthly progress reporting to the Executive and the Scrutiny Committee and an Annual Report to the public.

Members asked questions and received information in relation to:-

- The potential to increase the number of tourists to North Ayrshire by 5% each year;
- The inclusion of work in areas of equality within existing budgets;
- Partnership working with the private sector in regeneration of North Ayrshire; and
- The submission of a Business Case to the Scottish and UK Governments seeking more inward investment to address the high levels of deprivation in North Ayrshire highlighted in the Scottish Index and Multiple Deprivation report 2009.

The Committee agreed (a) that the Chief Executive provide information in relation on the role of the private sector in working in partnership with the Council to support regeneration of North Ayrshire to a future meeting of the Committee; and (b) to receive six-monthly progress reports at future meetings.

3. Service Plans 2010/11

Submitted report by the Chief Executive on Service Plans for 2010/11.

At its meeting on 1 June 2010, the Executive noted the findings and recommendations arising from a Golden Thread Healthcheck of the Council's performance management arrangements. The Executive also noted that revised guidance had been developed for the 2010/11 Service Plans to ensure they are more streamlined and focused, and workshops have been held for all services to familiarise them with the revised guidance.

Services have reviewed and revised their draft plans for 2010/11 in accordance with the guidance and Plans now reflect the organisational structure approved by the Executive on 8 December 2009. The finalised 2010/11 Service Plans were approved by the Executive on 22 June 2010. The appendices to the report set out Services Plans for the following areas:-

Chief Executive's Service
Building Services
Social Services & Health
Housing Services
Finance & Infrastructure (Finance)
Finance and Infrastructure (Environment & Related Services)
Finance and Infrastructure (Infrastructure & Design Services)
Corporate Services (Legal & Protective Services)
Corporate Services (ICT & Customer Services)

The Educational Services Improvement Plan 2010-13 was submitted to, and approved by, the Education Executive on 9 March 2010. This is currently being re-formatted to ensure consistency with the revised service planning guidance and copies will be available from the Corporate Director (Education & Skills) by 30 June 2010.

Members asked questions and were provided with information in relation to:-

- Plans for future involvement of Elected Members in the community planning process;
- Economic Development sponsored initiatives which assist people entering employment;
- The inclusion of further milestone information over time and the integration of Service Plan information into the Covalent system;
- The categorisation of the majority of businesses within North Ayrshire as small medium sized businesses and the targeting of an integrated business support and employability service to these businesses;
- Challenges in meeting the milestones and targets of the Service Plans in the economic climate and the requirement to set realistic targets; and
- The monitoring systems in place to ensure targets are met and the role of Elected Members in scrutinising progress.

The Committee agreed to (a) receive six-monthly progress reports at future meetings; and (b) otherwise note the report.

4. Call In Request: Children's Outreach Services

Submitted report by the Corporate Director (Educational and Skills) on options to achieve savings of £300,000 in 2010/11 within Children's Out of School Care.

At its meeting on 20 April 2010, the Executive of North Ayrshire Council received a report by the Corporate Director (Education and Skills) on proposals on the way forward for Children's Outreach Services within the efficiency targets set. The Executive agreed to approve (a) the first phase of the new pricing structure for Out of School Care as set out in option 2 in section 3 of the report; (b) the additional savings package outlined in appendix 2 to the report; (c) the development of alternative delivery models through community enterprises or equivalent by the end of 2012; and (d) noted that a further change to the pricing structure to full cost recovery will be required in future years.

At its special meeting on 14 May 2010, the Scrutiny Committee considered a call in request in relation to Children's Outreach Services and, after a full discussion, agreed to continue the matter to a future meeting. Subsequently, at its meeting on 31 May 2010, the Scrutiny Committee agreed to scrutinise the decision taken by the Executive on 20 April 2010.

At its meeting of 9 June 2010, the Scrutiny Committee agreed to continue consideration of this matter, pending the submission of a further report by the Corporate Director (Education and Skills) providing accurate and comprehensive information on proposals to achieve the budget savings agreed by the Council at its Special Meeting on 11 February 2010.

The Committee considered further information analysing full costs for the Service and two alternative options for savings. A full analysis of budgets for Childcare Services was provided in Appendix 1 to the report. Details of two alternative efficiency package options were provided in Appendix 2. Appendices 3 and 4 provided projections for both efficiency packages for 2011/12 and 2012/13. The projections in appendices 3 and 4 are flexible and dependent on the migration of the service to the private and voluntary sector. The efficiency options do not allow for any increase in charges in 2010/11 and would not recover the required efficiency saving of £300k in that year. The shortfall would have to be found from the Council's Flexibility Budget.

Delays in actioning the proposals result in a requirement to achieve the required efficiency savings within an increasingly short period of time. Officers therefore require to pursue opportunities for the migration of the service to the private and voluntary sector and facilitate the transfer of services as appropriate.

Members asked questions and received further information in respect of:-

- The use of funds from the Council Flexibility budget;
- Discrepancies in the original financial information presented to the Executive and the requirement for future consultation with Finance;
- The changing financial position of the service as a result of various factors including falling roll numbers and static charges;
- Progress made in market testing and the initiation of tentative negotiations for the migration of the service with the private and voluntary sectors;
- The identification of capacity within existing resources to enable continued support to the voluntary sector;
- The costs of the Toy Library Service;
- Work with the private and voluntary sectors to ensure the needs of those children who require additional support needs to access mainstream childcare services are met;

Councillor Gallagher, seconded by Councillor McPhee, moved that the Committee agree to recommend the Option 2 Efficiency Package to the Executive. There being no amendment, the motion was carried.

Accordingly, the Committee agreed to recommend that the Executive (a) approves the Option 2 Efficiency Package, as detailed in the report, as the preferred option to achieve savings within Children's Outreach Services, with the estimated shortfall of £157k being met from the Council's Flexibility Budget; and (b) authorises Officers to pursue opportunities for the migration of the service to the private and voluntary sector and facilitate the transfer of services as appropriate.

The meeting ended at 3.25 p.m.