

**SCRUTINY COMMITTEE held at COUNCIL OFFICES LONDON ROAD
SAFFRON WALDEN at 7pm on 25 NOVEMBER 2014**

Present: Councillor E Godwin – Chairman
Councillors G Barker, P Davies, I Evans, S Howell, D Morson, E
Oliver and J Rich.

Also present: Councillors C Cant, R Chambers, J Cheetham, A Dean, D
Jones and H Rolfe.

Officers in attendance: R Auty (Assistant Director Corporate Services), R
Dobson (Principal Democratic Services Officer), A Knight
(Assistant Director of Finance), V Taylor (Business Improvement
and Performance Officer) and A Webb (Director of Finance and
Corporate Services).

SC33 PUBLIC SPEAKING AND CHAIRMAN'S REMARKS

Statements were made by Mrs A Evans, Dr J Johnson and Mrs W Fish.
Summaries of the statements are appended to these minutes.

The Chairman said the item regarding Cranwellian would be considered
immediately after apologies and declarations of interest.

SC34 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for absence were received from Councillors Harris and Watson.

*Councillor Godwin declared a non-pecuniary interest in relation to
Cranwellian, as she had been a member of the Planning Committee when one
of the applications was considered (although was away on holiday at the
time); and had been present at a meeting of Planning Committee last year
when the matter was discussed.*

Regarding the Day Centres item, the following members declared interests:

*Councillors Cant and Cheetham declared their non-pecuniary interests as the
Council's appointed representatives and as the Chairman for the Management
Committees of the Rowena Davey Centre and the Takeley Day Centre,
respectively.*

*Councillor Rolfe declared a non-pecuniary interest as the Council's
representative on the Saffron Walden Day Centre Management Committee.*

CRANWELLIAN

Councillor Morson presented the report of the Scrutiny Task Group. He said the report had involved much work, as many of the issues had been in contention for the past nine years. The Council had accepted the finding of the Local Government Ombudsman, which should have been the conclusion of the matter. The Task Group had been puzzled that the Ombudsman had recognised the professional judgment of officers but nevertheless had found the Council was at fault. It had also noted that, most unusually, clarification had to be sought from the Ombudsman. The Task Group therefore questioned the acceptance by the Council of the LGO's decision.

Regarding complaints regarding redaction procedure, the Council had accepted it was at fault and a revision of the procedures and robust audit trails had been agreed. The Task Group therefore presumed that this aspect of the complaint was now closed.

Regarding the claims about toxicity of water, the Task Group had examined two reports which had concluded that any materials buried were non-hazardous, and that the samples taken were representative of the area in question. Councillor Morson drew attention to a significant error in one report which should have stated that the substances found "do not breach the threshold" rather than "do breach". Whilst the Task Group found that toxicity was not an issue in itself, the Working Group considered water testing should be done.

Regarding alleged buried materials, this was a matter not for the Council but for the Environment Agency. The report set out the reasons why the Task Group was satisfied that Uttlesford District Council had acted properly in relation to enforcement of the recommendations of the Environment Agency.

The responsibility for drainage had transferred from the Environment Agency to Essex County Council. Councillor Morson said he was aware that the owner of the land was amenable to restoring the ditch subject to certain conditions.

The Task Group considered closure of the matter was appropriate.

Councillor Godwin invited members of the Committee to comment.

Councillor Howell said this was a serious issue of criticism of the Council and the Ombudsman. Whilst the three members had worked very hard on this report, the electorate were always right, and this rule applied also to the LGO. He was surprised at the approach the task group had taken. The Environment Agency had failed. The Council had made an apology, and had paid compensation. This report made the situation worse.

Councillor Morson said it had been apparent during the Task Group's interviews with officers that there was uneasiness over the fact that the Council had apologised. It had been exceptional to have had to seek clarification from the Ombudsman. The Ombudsman had admitted he was not

an expert in planning, and he had accepted the professionalism of officers. The Task Group was entitled to challenge the decision and there was no legal obligation to accept the Ombudsman's report.

Councillor Barker said the significant point was there was no wrongdoing. The case against the Ombudsman's finding could have perhaps been defended more strongly. Officers had felt however that to take it further would have resulted in no gain. The compensation paid was for loss of confidence.

Councillor Rich said he was pleased to see the matter had been addressed by the Task Group with great integrity. The Ombudsman was not always right, as shown in various authorities. He had called this matter to scrutiny because his primary aim was to see if the Council could handle a similar event better, but secondly to take the heat out of it. He was saddened that there was no agreement. However it was clear there was nothing political going on, and the three members had dealt with the matter very well indeed.

The Chairman agreed the issue was not political.

Councillor Oliver said he felt this type of situation appeared across the district, and he himself had a matter going forward to the Ombudsman regarding issues that had not been addressed. Dr Johnson was seeking a meeting between the Environment Agency and UDC. If that could be arranged that would surely bring matters to a close.

Councillor Cheetham said because there had been a live planning application regarding this site she had had to step back a great deal as chairman of the Planning Committee, but she had kept informed. She congratulated the Task Group as this had taken a lot of work and they had read all the extensive papers. Her concern related to two recommendations: first, the water should be tested, and secondly there must be closure. She did not consider it would be a solution for the Environment Agency and ECC to meet, having changed responsibilities four times in the last ten years.

Councillor Jones thanked the members of the Task Group for taking time to examine this matter. However to consider all aspects properly required more time. A draft report could have been submitted to residents to see whether it answered the issues, rather than the final report leaving residents in disagreement. The summary was not as clear as it might have been. He had no doubt that the full truth was not out yet and was prepared to demonstrate this further. He had implored Full Council to do what it could to resolve this matter. He had suggested to Councillor Morson that Peter Kirton should be involved and to engage with Essex County Council. He asked that before the Committee made its decision members think hard about the outcome.

Councillor Morson said he would accept the suggestion that there should be water testing. Subject to that, he was content for a meeting as proposed to be arranged. He would therefore recommend those actions to the Scrutiny Committee, with the proviso that this must then close the matter.

Councillor Godwin said the Committee had no power to compel the Environment Agency to attend a meeting.

Councillor Jones said Peter Kirton of the Environment Agency was willing to meet to discuss the case but his employer would require a formal request.

Councillor Rolfe said he was not a member of this Committee and did not wish to influence it. Clarity about the proposed meeting was needed, regarding what questions to be put, and what the next action might also be.

Councillor Morson proposed that the recommendations of the Task Group be accepted, that water testing be carried out, and that a meeting be arranged with the Environment Agency.

Members discussed the recommendations further in relation to the expenses of the Environment Agency advisor, the type of water testing and the involvement of Essex County Council.

RESOLVED

- 1 the conclusions as set out in the report of the Task Group be accepted;
- 2 The Council write to Peter Kirton at the Environment Agency to invite him to attend a meeting with residents with a view to achieving closure of the matter;
- 3 testing of water, including ground, underground and well, be carried out as soon as possible;
- 4 The Council to write to Essex County Council as the responsible body to seek initial comments about land drainage.

The meeting was adjourned for two minutes to allow a break.

SC36 **MINUTES**

The minutes of the meeting held on 7 October 2014 were approved and signed as a correct record.

SC37 **BUSINESS ARISING**

i) Minute SC27 – Saffron Walden Castle

Councillor Howell said the minutes did not reflect the meaning of his comments about the Castle's inclusion on the "at risk" register maintained by English Heritage. The point he had made was his overriding concern that the Castle was on the "at risk" register, and that there did not seem to be a plan to address the situation.

The Director of Finance and Corporate Services said he understood the Castle had been removed from the list, although works were not yet complete. Members would be updated once English Heritage had confirmed the position.

SC38 CABINET FORWARD PLAN

The Assistant Director Housing and Environmental Services said a new policy for housing allocations would be taken to Cabinet.

Councillor Rich asked about ongoing decisions regarding development sites. The Chairman asked for a scoping report on development sites to be brought to the March meeting of the Committee.

SC39 SCRUTINY FORWARD PLAN

The Chairman asked for a scoping report on Highways to be brought to a future meeting.

Councillor Evans said there were issues where works were not being done leading to residents becoming dissatisfied, with responsibility for different works belonging to different bodies such as NEPP or the Highways Rangers.

Councillor Howell said he would rather the Council scrutinised functions for which it was responsible. The Committee had received a list of statutory functions of the district council, and should continue scrutinising those.

The Director of Finance and Corporate Services reminded members that the next item on the agenda, the provision of day centres, had emanated from discussions about that list.

Members continued to debate the merits of scrutiny of highways, and which county member to invite. Councillor Rolfe said if the Committee wished to look at internal responsibility, then Councillors S Barker and Walters should be invited, as they were responsible for the North Essex Parking Partnership and the Highways Panel, respectively. However, any specific problems should be addressed to him.

SC40 DAY CENTRES

The Committee considered the report of the Scrutiny Day Centre Task Group.

Councillor Evans, as Chairman of the Task Group, thanked the Business Improvement and Performance Officer for her hard work. Members had undertaken this work by speaking to users and management committees. Day Centres were non-statutory services. A standardised approach had been taken. The report's recommendations, subject to the Committee's approval, would be taken to Cabinet.

Councillor Evans took members through the report, highlighting the fact that the centres were run by volunteers, the difficulty in recruiting to the management committees and that the feasibility should be considered of a reduction in the numbers from five day centres to three. It was apparent that certain day centres were struggling. For example, some did not have up to date accounts, there were difficulties with payroll and there had been inadequate dissemination of safeguarding training. It was perhaps true to say that there was a stigma attached to day centres. Research indicated there could be more demand for secure centres offering adequate supervision.

The Chairman thanked Councillor Evans and the Task Group members for their report.

Councillor Morson said it had been apparent during members' visits that customers were pleased with the centres. The workforce was clearly dedicated. There was an issue that Thaxted was very difficult to find and many residents of the nearby sheltered housing were not attending because they preferred to cook for themselves. In his view the day centre should have been located within the scheme.

Councillor G Barker said the Rowena Davey Centre was not "on the edge of town" but in its centre. He questioned the situation regarding the rent paid to Stansted Mountfitchet Parish Council for the use of the Crafton Room.

The Assistant Director Housing and Environmental Services said the rent had been calculated to be equivalent to the cost of maintenance for the building.

Councillor G Barker questioned the distribution of similar lunch club provision across areas such as The Rodings, and suggested councillors be invited to submit a list of all dining clubs in their wards.

Members commented on the cost of transport for those travelling from villages to town centres, particularly if they also had to pay for a wheelchair, although if transport were provided more of the potential users would be reached.

The Assistant Director Housing and Environmental Services said the experience with sheltered housing was very fluid, in that the situation during a review would be different over quite a short period. Last year she had visited Thaxted Day Centre, and the facility was then being very well used and people were happy with it.

Councillor Cheetham said the Chairman of Takeley Day Centre management committee could not be present tonight, but had intended to speak to make a number of points. The report had been made public at short notice and a copy of it could have been sent to the management committees. The report was not correct in several aspects: the average number of lunches at Takeley was not 20, but 25 to 30. The village had had to fight hard to get the day centre. The report did not refer to other positives, such as the renting out of

the building to Crocus Wellbeing and Activity Centre, a Mother and Toddler Group, and various evening events which brought in additional income.

Councillor Cheetham said the Day Centre kept proper accounts. She was concerned that the conclusion of the Task Group was to close Takeley Day Centre and bus people to Dunmow. It was clear from discussion with day centre users at Takeley they would not wish to take transport to Dunmow Day Centre. The Council should be working in partnership with and supporting the community and this report was disturbing.

Councillor Cheetham said the number of lunches served at Takeley Day Centre was close to the numbers served by Stansted. The Centre was fulfilling a need in the community. Whilst reporting of repairs could be improved, the flat roof was an ongoing problem. To close the Day Centre would be a disservice to the community. She was concerned by this report and that it had been published on the website.

Councillor Cant said some of the information in the report should not be in the public domain. She agreed the number of users changed greatly from month to month as at the Rowena Davey centre the number during the last month had doubled. The demographics on the maps were interesting. Those who were now in their 70s would perhaps not wish to use day centres, but might have a different attitude in 10 years' time. If a day centre were to be closed, the demographic would change in a few years. Once lost these facilities were difficult to get back. The report was excellent, it was informative, but she was uncomfortable as someone who had had to take over as Chairman of the Rowena Davey Centre, that it had not addressed the real problems.

Councillor Cant referred to difficulties faced by day centres in dealing with wages. A request for the Council to help had been refused. Similarly, regarding contracts, she had assumed she could rely on the Council's HR department for advice, but instead she had been referred to the CAB and ACAS. Volunteers on Day Centre management committees did not want the risk of being taken to an industrial tribunal. Regarding repairs, the officers to whom these were reported had been fantastic and the management committee knew repairs would get done eventually, but the responsibility of contracts was very onerous. Whilst the day centre at Dunmow was able to fund some improvements to make the facility more attractive to rent out, it could not afford professional HR services. The Council had to decide whether to wash its hands of day centres or help them.

Councillor Rolfe said he found the report helpful as a focus. He was fully supportive of providing additional officer help. He had reservations about the points made regarding professional assistance. The balance with volunteers had to be retained, otherwise there was a risk that no-one would be prepared to run anything. The Day Centres were there to be community agencies, providing services for people who might otherwise find such services difficult to access, within the spirit of localism. The Council must be careful not to withdraw those services. The questions were wider than whether Dunmow and Thaxted day centres were open or not, as what was important was to

review with local communities what services there were in the community. The issue was not about the buildings but the provision of services in conjunction with other agencies that helped the elderly in their communities.

Councillor Evans said the information in the report was simply factual, and it gave a snapshot. Whilst circumstances could change, it was not possible to keep taking a snapshot every three months.

The Assistant Director of Housing and Environmental Services said the day centres which were more affected by fluctuating levels of use were Takeley and Thaxted, as the other three were more central to the areas which they served.

Councillor Cheetham said one size did not fit all, and Takeley was a growing place.

Councillor Davies said there was an aging population yet there was reducing use of Day Centres perhaps because people did not know about them. The reasons for any stigma should be examined. There was a great deal of commitment by volunteers which was under the radar. It was important to think not about capacity but about expanding outreach. If transport were provided, people would not want to use it. People should not be discouraged from using the services, and there was a need to find a way of agreeing how the duties should be dealt with. He was uneasy about asking volunteers to be specialists. He accepted this report was a snapshot, and the question now was how to plan for the next five years. The Day Centre Task Group did not have all the answers, the principles should be established and then the plan should be principle-led.

Councillor Godwin said it was for Cabinet to look at resources, and members wanted the day centres to thrive.

Councillor Rich said he had been a member of Stansted Day Centre, and it was true to say the popularity of use of day centres went in cycles. Clearly all the day centres fulfilled a very useful function, and the number of lunches served was not the relevant point. The demographics were important, as the map for Stansted seemed to indicate it had fewer people over 75. Issues relating to HR and payroll were not part of the support which the Council could provide, and such services could be obtained commercially. The day centres could perhaps be advised to club together to procure such services at a more competitive rate.

Councillor Howell thanked the task group members for their hard work. He did not support the recommendations to Cabinet and strongly objected to closing Thaxted and Takeley day centres. The volunteers needed more support and should be encouraged and valued. He supported the recommendations of the report only in so far as they acknowledged the essential role of the day centres in communities. It was true there was some stigma in using the day centres, but not perhaps for the over 80s. The day centres appealed to the most vulnerable and isolated people, and there were people living in The

Sampfords, Radwinter and Hempstead who would like these opportunities. He would not support the recommendations going to Cabinet.

Councillor Barker also expressed gratitude to the task group members for the report, however the two day centres should not be closed. The provision of day centres was not one of the Council's statutory duties, but was made possible by the good work of volunteers. The Rowena Davey Centre was doing very well, but there was a concentration of assets in Dunmow with the nearby Foulkes Hall and Dourdan Pavilion. For the Council to provide support to Dunmow was inequitable to those living in peripheral areas of the district such as White Roding.

Regarding the burden of bureaucracy, the question was whether the Council would provide day centres with HR support. To what extent should the Council reinforce their operation?

Members discussed in detail the recommendations to be made to Cabinet, voting on each paragraph of the report's recommendations.

RECOMMENDED to Cabinet

- 1 Officers should be requested to investigate the feasibility of providing a fixed term (1year), part-time resource to provide support and assistance to the remaining three day centres. The remit given could include investigating partnership opportunities, developing service provision, improving income and identifying grant funding opportunities, increasing usage, support the recruitment of additional committee members and help with succession planning. All responsibility for Day Centres should be removed from the Tenant Participation Officer. A financial business case will need to be worked out to address the funding of this resource. Funding for this post could be found through the current General Fund re-charge for Officers' time, which would mean the Housing Revenues Account would have to fund the Tenant Participation Officers role entirely.
- 2 A review of the management agreements between the Council and the Management Committees that have responsibility for the day centres is undertaken. This should reflect the changes in responsibilities of both the council and management committees and include agreed service levels, monitoring and the relevant communication channels.

SC41

FINANCIAL OUTLOOK AND 2015-16 BUDGET STRATEGY

The Director of Finance and Corporate Services said, having just spent a considerable amount of time discussing a non-statutory service, and amending the report to potentially increase the cost of the service to the

Council, this report would hopefully set the scene for future discussions. He invited the Committee to consider the financial outlook and 2015/16 budget strategy, for approval and recommendation to Cabinet.

The Director of Finance and Corporate Services drew members' attention to key assumptions made in the report, in particular a significant assumption regarding universal credit. It was also assumed there would be continued freeze in 2015/16 and 2016/17 of Council Tax, enabling the Council to benefit from a grant of £50,000. Members were reminded of a significant risk regarding the Diamond Hangar, which posed a potential gross reduction of revenue to the localisation of business rates scheme. It was noted that the Hangar was now being let in accordance with its proper use.

The Director of Finance and Corporate Services also drew attention to the assumptions that the formula grant would be nil by 2019/20 and that the New Homes Bonus would continue in accordance with existing published policy.

Members were invited to consider outcomes of budget modelling, which indicated a significant future change in the level of in year surplus. The surplus levels during the next two years would be likely to change under a new government. The New Homes Bonus would probably end in 2017/18. Members should be aware that the current healthy surplus levels were likely to be subject to a significant downward trend. Prudent planning was necessary, given the eventualities which could follow the 2015 General Election. Reserves had to be retained at a reasonable level, because the extent of reduction could not be found from services efficiencies.

The Director of Finance and Corporate Services said the report for the first time now included a section on forecasted reserves. If Universal Credit did not go ahead, the £600,000 reduction in the Working Balance would have to be reinstated which would have a detrimental effect on the bottom line. A review of reserves was necessary, and would be included as part of this year's budget strategy.

The Director of Finance and Corporate Services drew members' attention to the key actions and budget strategy for 2015/16. He invited questions and asked that members also submit via the Chairman any further comments after the meeting.

Councillor Morson said this was an excellent advance on what had been made available to members in the past, and reflected what the Committee had requested. He welcomed the report as a good basis for the next meeting in February.

Councillor G Barker said this was a good report. It would be helpful to include line-by-line numbering. He asked how officers had managed the assumptions regarding risk.

The Director of Finance and Corporate Services said information was obtained from various government sources and forming a view.

Members asked further questions about reserves, including whether reserve levels were sufficiently high.

Councillor Chambers said assumptions were informed by speaking to other local authorities. In reply to a question about inflation, he said the levels of reserved had been considered to be reasonable by the Performance and Audit Committee. This was the right approach to the potential difficulties facing local authorities over the next two or three years. Information would be more certain after the General Election. The Council was assuming the situation would worsen, and there could be difficult decisions to be made.

The Director of Finance and Corporate Services said given the current uncertainty prior to the General Election, it would not be right to suggest any service cuts at this stage.

Councillor Howell said it was a pity the evening was now so late, as this was the most important item on the agenda. The good relative financial position of the Council was a tribute to officers and members. It was striking how vulnerable the Council would be in five years, as by 2019 the Council was going to be running at a deficit of about £1 million, which was one of the reasons why the Council had reserves. He disagreed with the comment in the report that the Council should look for service savings and cost-sharing options only as opportunities arose, as the Council should not wait to do so. He considered it had been a wrong decision to bring the Council's cleaning services in-house.

The Director of Finance and Corporate Services said the report was worded in this way as it was a one-year report. This Council was in the best position financially of all councils in Essex. It had two years to make a saving of £1 million. There was no question of waiting until 2018/19 to make provision for this saving.

Members agreed the Council should actively search for service savings and cost-sharing options.

Councillor G Barker asked when the accounts had last been zero-based.

The Director of Finance and Corporate Services said zero-based budgeting had been undertaken on sections of the accounts such as Waste, however this was not done each year due to the amount of work involved. Councillor Chambers said cost and time were a factor in zero-based accounting.

RECOMMENDED to Cabinet the approval of the financial outlook and 2015/16 budget strategy subject to the following comments of the Scrutiny Committee:

- 1 consideration should be given as to whether the level of reserves was sufficient;

- 2 the Council should assume the worst in terms of future challenges for local government funding;
- 3 the Council should look for efficiencies and partnerships;
- 4 the budget format should be made clearer.

Councillor Rolfe said the Council was in good shape for the next three years, but that it should be run to ensure optimum efficiency. The sum of £1 million had been put into the Strategic Initiatives Fund, and there would be a review of car parks which could result in long-term income.

SC42

2015-16 BUDGET SETTING PROCESS

The Committee considered the report of the Director of Finance and Corporate Services, which gave an overview of the budget setting process and suggestions for how scrutiny of the process could be approached.

Councillor Godwin said it would be important to ensure there were checks regarding how monies allocated had been spent.

The Director of Finance and Corporate Services said some grants to the voluntary sector were now on a three-year rolling basis and recipients were required to justify further grants by showing how they had used the money.

In reply to a question about publication of all expenditure, the Assistant Director of Finance said expenditure data was published on the Council's website in relation to sums over £250.

The Assistant Director Corporate Services said the Transparency section of the website included information on grants to the voluntary services.

Councillor Godwin said she would like further information regarding what grants were spent on.

The Director of Finance and Corporate Services said this item could be included on a future agenda post May 2015.

The meeting ended at 10.10pm.

Summary of public speaking statements

Mrs A Evans

I should like to thank Councillor Jones for his support. Residents accepted the Ombudsman's report, and did not ask for this matter to go to the Scrutiny Committee. I am surprised the Ombudsman's judgment has been called into question. The residents have asked for a meeting between the original investigating officer and the Environment Agency, and I question why this simple request has not been agreed. Such a meeting would allow closure. I am used to feeling undermined by Uttlesford District Council, but am surprised this should be the reaction from the Scrutiny Committee. We've been told we can't reply to the discrepancies in the report until tonight. The report is not correct in its description of the meeting with the Chief Executive, as the residents met the Chief Executive at his request. At no point did residents request that minor matters be enforced. I would question how placing conditions on top of unenforced conditions would help. I would say that the Council by acting expediently showed a lack of moral fibre.

Mrs W Fish

The Scrutiny documents appear to me to say the Council has done nothing wrong and that the Ombudsman was incorrect. I disagree with the report. There is nothing to determine whether water testing in the future will be carried out. What kind of water testing would it be? Nothing has been resolved and nothing has changed. I would also like to state that this is not about our neighbours but about UDC.

Dr J Johnson

I feel like the villain of the piece; all we have done is say the Council has got this wrong. By going to Full Council I simply wanted to state that we had a problem, not to ask for the matter to go before Scrutiny Committee. I refute the description of this matter as a neighbourly dispute. I've been branded a liar. The request to the Ombudsman for all copies of correspondence with residents because the Council needed to verify all statements made us feel residents were the ones under scrutiny. This was about maladministration. We didn't ask the Ombudsman to overthrow the Planning Committee decision. Neither the Ombudsman nor the Scrutiny task group has the power to question the professional judgment of officers.

I'm told it is a first for the Council not to agree the Ombudsman decision was the right decision. If the Council felt it was not right, then why did they apologise when they did not mean it? I'm not questioning the Ombudsman, but maladministration. Most of what the residents said has been ignored. Our original request was that the residents and the original investigating officer Peter Kirton should have a meeting. This would give us closure. We think probably that non-disturbance of the site would be best but we are very worried about the drainage. A meeting would lay it to rest.

I'm disappointed in the report. I note the Council's officer acknowledged that whilst the Council's actions were in accordance with the law, they were maybe not best practice, but were accepted practice – that's not good enough for residents.

I would like a meeting with the Environment Agency and for UDC to acknowledge it got it wrong and then close the matter.