

CORPORATE & PUBLIC SERVICES OVERVIEW AND SCRUTINY COMMITTEE

25 NOVEMBER 2015 AT 6.00 P.M. AT THE COUNCIL HOUSE

Panel Members Present	Councillor M. Nazir (Chair) Councillor I. Shires (Vice-Chair) Councillor P. Bott Councillor S. Craddock Councillor K. Ferguson Councillor A. Nawaz Councillor L. Jeavons Councillor L. Rattigan Councillor G. Sohal
Portfolio Holder	Councillor A. Andrew – Deputy Leader and Economy, Infrastructure and Development Councillor A. Harris – Community, Leisure and Culture
Officers Present	Rory Borealis – Executive Director (Change and Governance) Simon Neilson – Executive Director, Economy & Environment Keith Stone – Assistant Director (Neighbourhood Services) Sue Grainger – Head of Libraries, Heritages and Art Chris Holliday – Head of Leisure and Community Health Elise Hopkins – Systems Leader (Money, Home, Job) Craig Goodall – Committee Business and Governance Manager
Others Present	Paul Murray – Chair of the Board, Walsall Housing Group Linda Cole – Tenant Board Member, Walsall Housing Group Gary Fulford – Chief Executive, Walsall Housing Group Karen Marshall – Governance Manager, Walsall Housing Group

39/15 APOLOGIES

Apologies for absence were received on behalf of Councillor S. Cooper.

40/15 SUBSTITUTIONS

There were no substitutions for the duration of the meeting.

41/15 DECLARATIONS OF INTEREST AND PARTY WHIP

There were no declarations of interest or party whip identified at this meeting.

42/15 LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985 (AS AMENDED)

There were no agenda items that required the exclusion of the public.

43/15 PROPOSALS TO CHANGE WALSALL HOUSING GROUPS GOVERNANCE ARRANGEMENTS

The Committee considered proposals from Walsall Housing Group (WHG) to amend their governance arrangements.

A long question and answer session took place with representatives of WHG. The following is a summary of the questions by theme along with a summary of the answers reported:-

Why are these changes being proposed?

The Committee were told that the changes were proposed following an independent governance review. The recommendations would ensure that WHG met the governance guidelines set out by the Homes and Communities Agency (HCA). The HCA regulated and funded Registered Providers (RPs).

It was explained that, nationally, some RPs had got themselves into difficulties. HCA investigations had shown that ineffective Boards were often the cause of these problems. Therefore they were keen to see changes across the country in the make-up of the Boards of RPs. The HCA wanted to increase skills and professionalism on the Boards of RPs.

What will happen if the changes to the governance arrangements are not approved?

It was explained to the Committee that the Homes and Communities Association could force a merger with a larger RP.

How will the views and needs of local people be taken into account under the new proposals?

Members were informed that the proposals would maintain the customer at the heart. A customer services committee and a tenant scrutiny committee would be established to engage tenants in positive roles. The two committees would be able to make reports and recommendations to the Board. A customer network would feed into the two committees.

Enhanced methods to engage Councillors would be developed. Councillors would be welcome to visit WHG at anytime and the organisation would be prepared to send representatives to Councillor surgeries if requested.

Do tenants understand they are losing decision making powers?

The Tenant Board Member explained that the impact of the changes were fully understood by tenants. She explained that there had been difficulties in the past in recruiting tenant board members. She added that tenants like the idea of a tenant scrutiny committee and felt that they would still have a voice under the new proposals.

The Committee were keen that, should the proposals be implemented, the WHG Board saw the tenant committees as critical friends and were receptive to their reports and recommendations.

Can changes be made to the governance proposals and the council maintain its voting and board member appointment rights?

It was explained that the HCA guidance did not allow Board places to be reserved. Councillors had the right skills to be considered as Board Members but would be required to apply and be interviewed through competitive interview under the proposals. A skills matrix would be developed to ensure that the Board was made up of individuals with the right mix of skills and experience.

Members were concerned that the Council and WHG could become disconnected. Currently the two organisations were good partners and Members wanted this to continue.

Will WHG lose sight of Walsall and seek to become a national housing provider?

Members were reassured that with 20,000 homes in Walsall, along with its Headquarters, it would be difficult for the organisation to ever lose sight of the borough.

WHG already had a small amount of housing stock outside Walsall.

An understanding of the borough would be a part of the skills matrix used to select new board members.

How will WHG ensure a diverse board is appointed?

The Committee was told that the current board was not representative. One of the causes of this was the current appointments process with 8 of the current board members appointed either via the Council or tenant committees. The changes would allow for a more representative board with vacancies targeted where there were skill gaps.

Members were concerned that the proposal to pay board members would prevent tenants that received benefits from applying to sit on the new board. It was explained that the remuneration was not a significant amount of money.

View of Deputy Leader and Portfolio Holder for Economy, Infrastructure and Development

The Committee sought the views of the portfolio holder for economy, infrastructure and development. He explained that he was supportive of the proposals. He saw it as the next stage in the development of WHG in line with HCA guidelines.

Systems Leader – Money, Home, Job

Members asked for advice from the Systems Leader (Money, Home, Job). She advised the Committee that the proposals were in line with HCA guidelines that recommend RPs manage themselves. The guidance also suggested that board members must have the required skills. Nominated members were permitted.

Conclusion

The Committee were in agreement that since its creation WHG had played a positive role across Walsall and its achievements were recognised. Whilst Members understood the rationale for the proposed governance changes there was a general feeling that it would be a 'leap of faith' to agree them.

Members noted that the decision would be taken by Council and requested that a note of the discussions detailed above be prepared for information.

Resolved:

That a briefing paper detailing the discussions held on the proposals to change Walsall Housing Groups governance arrangements be included in any future report to Council that considers the proposed changes.

44/15 BUDGET PROPOSALS FOR THE LIBRARY SERVICE 2016/17

Further to Minute number 34/15 the Committee revisited the issue of libraries in the borough. Members noted that the proposed budget for 2016/17 contained proposals to close seven libraries. The Committee debated the report and asked a series of questions of the Portfolio Holder.

The Portfolio Holder (Community, leisure and culture) explained that it was proposed to close Beechdale, Blakenall, New Invention, Pleck, Rushall, South Walsall and Walsall Wood Libraries. Walsall Wood Library would be replaced by a book exchange service at the refurbished Oak Park Leisure Centre. Two mobile libraries would also cease operation. He added that the Library Service had a budget of £4.3m. 80% of this was staff and building costs. £500,000 had previously been saved without impacting on the frontline. 83% of library visits were made to the libraries being maintained. Even with the proposed closures there would still be a library within 2 miles of every household in the borough. The housebound library service would be retained. He added that volunteers

would be required to come forward to maintain the current library network in the long term.

Members recognised the value of introducing further volunteers into libraries to sustain the service but registered concern that insufficient work was taking place to build capacity in local communities. Members also felt that people in deprived communities were less likely to volunteer to assist in libraries which further compounded the problems that could be caused by the proposals. The Committee emphasised the importance of building capacity in the third sector and supporting community groups to access external funding.

The idea of replacing libraries with book exchanges was viewed from two sides. On one hand the value of retaining some kind of library service was welcomed but on the other it was recognised that a book exchange was not an adequate replacement for a library.

A Member commented that the library closure in Beechdale would create a problem for the long term sustainability of the Beechdale Lifelong Learning Centre.

The Committee expressed concern that the libraries proposed for closure were in the most deprived areas of the borough. There were concerns that this could further reduce the long term prospects of these communities. The committee was informed that the libraries proposed for closure were selected as they were the least visited libraries. On reflection the committee felt that the methodology for selecting libraries for closure should be altered. It was recommended to Cabinet that the criteria for library closures be altered to take into account educational attainment, achievement, life chances and deprivation indices.

A Member asked a question about e-books and the potential for library loans to take place through an app. It was explained that e-books and e-audio loans were already possible through home computers. However, it needed to be noted that many publishers did not allow e-book loans.

A Member suggested that greater collaboration with the private sector should take place in order to improve the sustainability of libraries. For example, those libraries with large premises, such as Darlaston, could share space with a coffee shop franchise. The Portfolio Holder thought the idea was excellent and said he would investigate it further.

Resolved:

That Cabinet rethink and change its methodology for library closures and base their decision on educational attainment, achievement, life chances and deprivation. Further to this capacity should be created in the third sector to develop a volunteer base to improve the long term sustainability of the library service.

45/15 **RESOURCE ALLOCATION 2016/17 TO 2019/20: DRAFT REVENUE BUDGET FOR CONSULTATION – COMMUNITY LEISURE AND CULTURE PORTFOLIO**

The Committee considered the draft revenue budget for the Community, Leisure and Culture Portfolio.

The Portfolio Holder (Community, Leisure and Culture) presented his draft revenue budget to the Committee with the support of officers. A summary of comments on those savings where questions and concerns were raised is set out below:

Saving reference 72: Reduce opening hours at the New Art Gallery (policy)

Members questioned whether Sunday was the best day to close the gallery as it was a good day for families to visit. The Committee was informed that Sunday was the quietest day for visitors at the New Art Gallery (NAG). The NAG was very busy in the week with passing trade and organised educational visits.

Saving reference 7: Consider closure of 7 libraries across the borough and mobile library service (Policy)

The Committee raised concern that the libraries proposed for closure were in the more deprived areas of the borough. There were concerns that this could further reduce the long term prospects of these communities.

Members recognised the value of introducing further volunteers into libraries to sustain the service but registered concern that insufficient work was taking place to build capacity in local communities. Members also felt that people in deprived communities were less likely to volunteer to assist in libraries which further compounded the problems that could be caused by the proposals. The Committee emphasised the importance of building capacity in the third sector and supporting community groups to access external funding.

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Saving reference 80: Cease area management and area panels (Policy)

The Committee felt that Walsall Voluntary Action had been ineffective for a number of years. They were advised that a new body would be established and funded by a group of partners.

Members expressed concern at the loss of Area Panels without a firm proposal to replace them. It was believed that a new model of area panels that engaged the community and had clear powers and responsibilities could be successful.

Saving reference 86: Provide an income stream from the use of the environmental levy (policy)

It was explained to Members that funding that was previously set aside as a sinking fund for the replacement of crematoria and mercury abatement was to be reallocated. The potential £1m cost of planned replacement for 2024/25 would now be factored into the capital programme.

Saving reference 87: Leisure centres to become self sufficient by 2018/19

Clarity was sought as to whether it was anticipated Darlaston and Gala Baths would break even. The committee were informed that these centres were unlikely to break even. It was expected that in conjunction with the creation of another governance model (Trust or council company for example) that the financial performance of the borough's four leisure centres overall would break even. It was expected that the performance of the new Active Living Centres, along with the new governance model, would make up for deficits at others. This was a year two proposal and would include the first full years' operation of the new Active Living Centres at Bloxwich and Walsall Wood.

Saving reference 89: Additional charges to cover the council's contribution to schools library support service above those charged for the core service. This will achieve full cost recovery.

Following questions, Members were informed that academy schools did not have to buy into this service but it was felt the increase on charges were achievable. The service could be sold to schools outside of the borough too.

Saving reference 90: Registrars service to become self sufficient by 2018/19

Members questioned how this would happen and were reassured that this would happen by increasing the range of goods for sale in the service rather the increase of fees.

Resolved:

That the draft revenue budget 2016/17 for the Community, Leisure and Culture Portfolio be noted.

46/15 DATE OF NEXT MEETING

It was noted that the next meeting of the Committee would be 26 November 2015.

The meeting terminated at 9.25 p.m.

Chair:

Date:.....