

SCRUTINY COMMITTEE

MONDAY, 5 NOVEMBER 2012

PRESENT:- Councillors Kevin Small (Chair), Peter Heaton-Jones (Vice-Chair), John Ballman, Toby Elliott, Claire Ellis, Brian Ford, Richard Hurley, Colin Lovell, Des Moffatt, James Robbins, Robert Wright and John Haines

Councillors Mike Bawden, Mark Edwards, Cabinet Member for Finance, Fionuala Foley, Cabinet Member for Streetsmart and Corporate Services, Dale Heenan, Cabinet Member for Strategic Planning and Sustainability, Russell Holland, Cabinet Member for One Swindon, Localities and Housing, Garry Perkins, Cabinet Member for Regeneration and Culture, Dale Heenan, Russell Holland, Garry Perkins, Keith Williams, Mike Bawden, Mark Edwards, Fionuala Foley and Steve Wakefield were also in attendance.

Apologies for absence were received from Councillors Roderick Bluh, Leader of the Council and Chair of Cabinet, David Renard, Deputy Leader of the Council and Cabinet Member for Children's Services, Maureen Penny and David Wood

33. Declarations of Interest

The Chair reminded Members of the need to declare any known interests in any matters to be considered at the meeting.

34. Public Question Time

Mr Brian Cockbill put questions regarding:

1. The circumstances in which written answers are provided to public questions.
2. The monitoring of usage of Thamesdown Transport and Stagecoach buses by means of tickets issued and monitoring arrangements when circumstances prevent tickets being issued.
3. The proposed reduction in bus services in 2013 and the criteria for identifying routes to be reduced or removed.
4. The current location of the "Caribbean Cup" presented to the Council in 1962.

Mr Cockbill's question nos. 1 and 4 were answered by the Chair at the meeting. The Chair advised that Mr Cockbill's questions 2 and 3 would be referred to Councillor Keith Williams, Cabinet Member for Leisure and Strategic Transport, to provide written responses.

Mr Cockbill referred to several questions he had put to the last meeting of the Committee regarding the Council's investment in the Wi-Fi project. The Chair confirmed that these would be considered later in this meeting, when the Committee received the Wi-Fi Project Update report (Agenda Item No. 5 refers).

Mr Richard Symonds, a resident of the Bramptons, Shaw, put eight questions, all relating to issues concerning the financial accounts of Digital City (UK) Ltd and the recovery by the Council of loans made to that company. The Chair confirmed that these would also be considered later in this meeting, when the Committee received the Wi-Fi Project Update report (Agenda Item No. 5 refers).

35. Consideration of Cabinet Decisions

A. *Meeting of the Cabinet Panel on School Organisation held on 31st October 2012*

The Director of Law and Democratic Services submitted a report introducing decisions arising from the meeting of the Cabinet Panel on School Organisation held on 31 October 2012.

10. *Proposals for the permanent expansion of Haydonleigh and Even Swindon Primary Schools*

In the absence of Councillor David Renard, Cabinet Member for Children's Services, Councillor Russell Holland, Cabinet Member for One Swindon, Localities and Housing and Councillor Dale Heenan, Cabinet Member for Strategic Planning and Sustainability, supported by the Council's Head of Commissioning - Economy /Attainment CHN - Schools and Learning, responded to questions put by the Chair regarding the consideration given by the Panel to the concerns of residents about the development of the extension and measures to avoid exacerbating the potential for flooding, particularly in Meadow Road.

Resolved – That Minute 10 of the Cabinet Panel on School Organisation be noted.

B. *Meeting of the Cabinet held on 31st October 2012.*

The Director of Law and Democratic Services submitted a report introducing decisions arising from the Cabinet meeting held on 31 October 2012.

60. *Community Governance Review: references from Corporate Governance Review Working Party*

Resolved – That Minute 60 of the Cabinet be noted.

36. W- Fi Project Update Report

Further To Minute 29, the Chair advised the meeting of the answers provided by the Leader of the Council to the series of questions put to him by Mr Brian Cockbill at the last meeting, regarding matters concerning the Council's Wi-Fi project and, in particular, the final accounts of Digital City (UK) Ltd. At the invitation of the Chair, the Council's Board Director Finance, Revenues, Benefits and Property responded to supplementary questions put by Mr Cockbill regarding the arrangements by which payments were made by the Council to Digital City (UK) Ltd and shareholder access to the company's accounts.

The Chair continued, putting questions submitted by Mr Richard Symonds on the following issues:

1. The delay in making the final accounts of Digital City (UK) Ltd available to the Committee and public inspection of the final accounts.
2. The completion of the accounts and the inspection of these completed accounts by the Scrutiny Committee.
3. The use by Digital City (UK) Ltd of the £400k loan and the element of that sum used to meet salaries.
4. The payment made by the Council for the preparation of the accounts and any contribution made by Directors to those costs.
5. Financial penalties incurred by the late submission of the accounts.
6. Responsibility for meeting the cost of any such penalties incurred as a result of the late submission of the accounts.
7. The potential for legal action to be taken by the Council to recover the value of the loan plus accumulated interest and costs associated with the preparation of the final accounts.
8. The potential for legal action being taken by the Council against the Company if it is proven to have traded whilst insolvent.

The Chair and Councillor Garry Perkins, Cabinet Member for Regeneration and Culture, supported by the Director of Law and Democratic Services, responded at the meeting to Mr Symonds question nos. 1 to 4 and 7 and 8. The Council's Board Director Finance, Revenues, Benefits and Property was asked to provide written responses to Mr Symonds' question nos. 5 and 6. Councillor Perkins also responded to supplementary questions put by Mr Symonds.

The Chair indicated that, to facilitate members' debate of this item, it was his intention that the item be considered in two parts, firstly, matters relating to the new, UK Broadband Wi-Fi scheme, and, secondly, matters relating to the original, Digital City (UK) Ltd scheme.

UK Broadband (UKB)

The Council's Board Director Transformation and Strategic Projects introduced the report, included in the Committee's agenda papers, providing an update on the new network and plans in going forward with the UKB high speed wireless infrastructure in Swindon. The Board Director expanded on the contract arrangements with UKB and the implementation of the project, advising that the core network had gone live on 8 October, with the 4G LTE implementation providing fixed wireless 4G high speed superfast broadband covering approximately 65,000 households and 2,600 local businesses. The Committee noted that the second part of network, the Council's own network, was also being implemented, and that some 50 sites, including schools and community centres, were ready to be handed over to Capita in the next week or so. The Board Director commented that savings attributed to the

scheme would be secured when the new network was commissioned. He concluded his introduction by advising that business cases would now be formulated in respect of service improvements that might be achieved as a result of the availability of the new network and that UKB would be investigating the expansion of the network to cover rural areas.

Following the introduction of the report, the Board Director and Councillor Perkins, Cabinet Member for Regeneration and Culture, responded to members' questions and observations on the following matters:

- the availability of information for members regarding the details of the scheme and proposals for its future expansion
- the officer's description of the UKB network and details of its potential capacity
- the scheme's use of directional radio transmission to secure savings through the avoidance of BT landline costs and the possible impact of this strategy on the cost of national and international connections provided by BT
- the accuracy of the estimation of the level of savings resulting from the project
- the ownership of transmission equipment located on the 13 core transmission sites
- the total number of households with access to the service and the cost of the various service packages
- 4G access through certified mobile 4G LTE devices
- the implications of levels of "service take up" for projected savings
- the Council's entitlement to a percentage of profits accruing from sales to other public sector organisations
- the absence from the report of alternative options to the UKB proposal and the lack of comparative information to assist the Committee in determining if the scheme presents value for money
- the limitations and "future proofing" of the network
- coverage in the rural areas

Resolved – (1) That the report be noted and that this Committee wishes the UKB project every success.

(2) That the Committee welcomes the offer of the Cabinet Member for Regeneration and Culture to arrange for a full briefing to be made to members on the detail of the UKB project, particularly in relation to the extent of the project and services that will be available to some 67,000 households in the borough and also changes to be made within the Council as a result of the availability of 4G LTE technology.

Digital City (UK) Ltd Wi-Fi Project

At the invitation of the Chair, Councillor Garry Perkins, Cabinet Member for Regeneration and Culture, made a brief position statement regarding the Digital City (UK) Ltd Wi-Fi project. Councillor Perkins commented on some of the major issues, including the level of monies made available by the Council to support the project, his own role as a director of the company, and the additional costs incurred in Highworth project compared with original estimates. Councillor Perkins emphasised that the priority had always been to secure a valuable asset for Swindon whilst protecting the Council's investment and he maintained that, without the Digital City scheme, the current UKB project would not have been achievable. He concluded that the

minimum expectancy was now that the Council's investment in the scheme be fully recovered plus a nominal 20% interest amount.

On the conclusion of his introductory statements, Councillor Perkins circulated "abbreviated" versions of the finalised Digital City (UK) accounts for members' consideration.

In response to a supplementary public question put by Mr Brian Cockbill, the Chair agreed that Mr Cockbill be advised as to how he might acquire a copy of the finalised accounts of Digital City (UK) Ltd.

Resolved – (1) That a Task Group of 4 members (2 Conservative and 2 Labour) be established to review the details of the finalised accounts of the Digital City (UK) Ltd Wi-Fi project and the Price Waterhouse Cooper report relating to that project. That the review be expanded as appropriate to include any issues arising from the Working Party's consideration of these documents.

(2) That the Chair's guidance, at the meeting, that the review focus on outstanding matters that can be resolved through the examination of the finalised accounts and the PWC report, and not revisit issues that have already been the subject of review by the Scrutiny Committee, be noted.

(3) That the Working Party report back to a special meeting of the Scrutiny Committee to be convened early in January 2013.

(4) That it be agreed that the Chair of the above Working Party should not exercise any casting vote in determining the outcomes of the review.

(5) That the Cabinet Member for Regeneration and Culture be thanked for his attendance.

37. Question and Answer - Cabinet Member for Streetsmart and Corporate Services

Councillor Fionuala Foley, Cabinet Member for Streetsmart and Corporate Services, was in attendance. Following a position statement in which she summarised performance in respect of the various service areas within her portfolio of responsibility, including her assessment of what she felt had been done well, what might have been done differently and lessons learned, and the challenges facing her portfolio in future, Councillor Foley, with the assistance of her support officers, responded to members' specific questions and observations on the following topics:

- efforts to increase members' usage of the hotline facility and the distinction to be made between the use of the hotline and the arrangements in place to facilitate members' input to the localities decision making process
- the Government's proposed end to strict liability for employers and the consequent shift in the onus for Health and Safety responsibilities to employees
 - the Council's evidencing of due diligence and compliance with the requisite new management practices
- street lighting maintenance issues and responsibilities
- the occasional failure of officers to advise members of the outcomes of issued raised
- Control Room performance in relation to the handling of Homeline Service and Emergency calls and the detail of the related key performance indicator
- the reporting pathway in relation to Health and Safety issues

- the increased number of penalty charge notices that have been challenged
- the availability of civil parking enforcement comparative information
- the Health and Safety implications of joint working with the community and related governance arrangements
- the organisational structure and responsibilities in relation to Streetsmart and Corporate Services
- the feasibility of replicating the One Stop Shop facility within each of the localities
 - the availability and utilisation of community library services to support people's access to services
- issues relating to the Capita contract
 - Capita's Financial HQ in Jersey
- the flexibility of the contract with Capita to achieve additional savings, in line with the additional savings required from other Council Departments to find budget reductions necessary as a result of the Government's austerity measures
- the incremental partnership with Capita and the possible transfer of additional services to Capita
- the reinstatement and replacement of "worn out" double yellow line road markings
 - the possibility of an increased number of parking notice challenges due to faded yellow lines
- the Council's street lighting asset management role, the identification of failed streetlights and the carrying out of maintenance works
- cemeteries and crematorium services
 - cemeteries closed for future burials and the Council's responsibilities for closed churchyards in Parished areas
 - bereavements and cremation and the differential charge in respect of bereavements from outside the Swindon Borough area.
- the Streetsmart budget and meeting Locality priorities
 - the transition of information between the Streetsmart service and the localities and members regarding prioritised works and agreed work programmes
- the removal and storage of the vehicles of persistent evaders of parking fines and the position regarding other internationally registered vehicles
- the percentage of challenges made to penalty charge notices (PNC) that were accepted and cancelled (48%) and the availability of national comparative information
- trends relating to complaints about missed waste and recycling collections

It was agreed that information requested by members during the course of the Committee's consideration of this item be forwarded to members via the Committee Clerk.

Resolved – That Councillor Fionuala Foley, the Cabinet Member for Streetsmart and Corporate Services, and her support officers, be thanked for attending the meeting and for their full and open responses to members' questions on service areas and issues within the Cabinet Member's portfolio of responsibility.