



SCRUTINY COMMITTEE

4.30pm to 6.55pm

18 July 2013

Present: Councillors Stephenson (chair), Bradford, Brociek-Coulton, Brimblecombe, Galvin, Grahame (substitute for Councillor Carlo) Grenville, Howard, Manning, Maxwell, Sands (S), and Storie

Apologies: Councillor Carlo

1. DECLARATIONS OF INTEREST

There were no declarations of interest.

2. MINUTES

RESOLVED to agree the minutes of the meeting held on 20 June 2013.

3. WORK PROGRAMME

The chair asked that the scrutiny officer look into possible improvements that could be made to seating arrangements for scrutiny meetings that may serve to facilitate a better working environment for the committee. The scrutiny officer agreed to look into this.

A member requested up to date information on the benefits performance to be circulated to scrutiny members before the August break.

Referring to a request made by members for further information for scrutiny committee consideration of 20mph speed limits and the attached request for scrutiny consideration of 20mph speed limits made by Councillor Lubbock, Councillor Stonard, cabinet member for environment, development and transport, told the committee that the Norwich Highways Agency committee (NHAC) had considered that slower speeds were an important factor to road safety. He said that if the Cycle City ambition grant goes through then 20mph zones would be developed as part of this. He said that in Liverpool, the Clinical Commissioning Group had put money into a similar project as they felt it would help to ease the pressure on their services. Councillor Lubbock said that she was delighted at the progress that had been made already but thought that the barrier to this moving forward swiftly was the formation of partnerships with other bodies such as the police and local health groups. She said that Cambridge City Council had just started a consultation with their residents

on this and suggested that contact was made with them to discuss funding streams and expected outcomes.

RESOLVED that the:

- (1) committee was satisfied with the reasons and outcomes column on the work programme;
- (2) scrutiny officer considers options for the seating arrangement in the committee room towards improving the working environment of the scrutiny committee;
- (3) executive head of business relationship management circulates an update of the progress position on the performance and targets for the benefits service before the August break; and,
- (4) a report on the progress of the Cycle City ambition grant and 20mph speed limits be brought back to the scrutiny committee and to be added to the work programme at a suitable time.

4. SWITCH AND SAVE

The cabinet member for environment, development and transport introduced the report. He said that the data collected from the second tranche of the switch and save project would allow marketing to be directly targeted in the next tranche.

In response to a member's question, the environmental strategy manager explained that although the percentage of customers signing up for energy switching deals may have seemed low, the figures were actually quite high for this methodology. He explained that the choice of whether to switch was entirely up to the customer and many people reported that they had been offered a better deal with their existing supplier to keep their business. The executive head of strategy, people and democracy said that the idea of the project was to give people a better deal on their energy tariff so even if customers were given a better deal by their existing provider, the outcomes of the project were still realised.

The environmental strategy manager told the committee that the government's definition of those in fuel poverty had recently changed, so it was difficult to use this as a performance measure at this stage. Although this project was part of the affordable warmth strategy, the council did not want to exclude the wider population of the city. He said that the second tranche had tried to target areas with higher fuel poverty by visiting schools and community centres. He said that one percent of households in the city had switched to a better tariff and that this was considered a proportionally high figure.

A member said that this was a valuable project and showed that it was a good exercise in partnership working. She suggested that housing officers could continue to spread awareness of the project.

It was explained by the environmental strategy manager that the deal offered with the second tranche was the best deal nationally and it was with a larger provider. He

said that because of the number of collective switching schemes carried out nationally through use of the Department of Energy and Climate Change (DECC) funding the major energy suppliers paid a lot of attention to the auctions and there would have also been a lot of deals given to existing customers to ensure that they didn't switch. The third tranche would be smaller than the first two nationally as there would not be any DECC funding available, so it is likely that smaller companies may have a better chance in the next auction.

Replying to a member's question, the executive head of strategy, people and democracy explained that as only one other local authority had undertaken a collective switching exercise when Norwich city council were starting this project, benchmarking was difficult. He explained that the environmental strategy manager had spoken to the local authority about the outcomes of their scheme and also looked at a national switching scheme run by Which?. Collective switching schemes run in Europe were also studied. In response to a question, he said that the team had hoped for one percent of residents to switch using the switch and save scheme and this had been achieved.

The executive head of strategy, people and democracy explained that one of the roles of the environmental strategy team was to 'horizon scan' on environmental and affordable warmth issues and opportunities and this was how they came across the idea for the switch and save scheme. The environmental strategy manager added that his team tried to link the switch and save scheme with existing programmes such as the distribution of warm and well packs and using council communications to spread information.

Members noted that the first tranche cost approximately £1000 and the second tranche cost approximately £26,000. The second tranche was funded by a government grant and was used on marketing materials and technology which would also be used for later tranches and additional staff costs also. The grant also allowed the team to have a dedicated telephone line for public enquires, staff going out into the community and media to be used for publicity. The executive head of strategy, people and democracy confirmed that income received would go back into the affordable warmth budget. He reminded the committee that the switch and save scheme was only one element of the council's affordable warmth strategy.

The environmental strategy manager explained that the publicity for the second tranche tried to be more specific in targeting different areas of the community but reminded members that this was still a new project and improvements would continue to be made. Members said that they would like to see how many people signed up to the project using offline registration methods but wanted to ensure that no one was stigmatised by the targeting of information about the scheme and that as many people as possible were encouraged to use the scheme, as a larger pool of people would mean a better deal for everyone in the scheme.

Concern was raised in the meeting that there was really only one company nationally currently able to offer the switching service, meaning that there was no competition for business and deals may not have been as competitive as they could be. The environmental strategy manager explained that the market was very young for this kind of project in the UK and he would welcome greater competition in the future.

A member questioned the wording of the original contract as they felt that the way it was structured might have made it unattractive for non profit making enterprises to

tender for the contract. The executive head of strategy, people and democracy explained that anyone could tender for the contract or put in an alternative idea as it was an open tender process. Only one bid was received for the contract.

In summary, it was noted that presently, there were no methodologies available to assess exactly how many people who switched through the scheme were in fuel poverty at that time and further noted that as the third tranche would be smaller, due to options for funding, the committee hoped that it would be more appealing to smaller energy providers.

RESOLVED that:

- (1) officers circulate the new definition of fuel poverty to the scrutiny committee once it is known,
- (2) the original tender document be circulated to scrutiny members for information,
- (3) it is recommended that officers are supported in continuing to look for ways to maximise the use of funds within existing resources to benefit this scheme in reducing fuel poverty; and
- (4) that officers investigate ways of capturing rates of take up in different demographic groups and consider appropriate targets to benchmark the success of the third tranche.

CHAIR