

Public Document Pack

COUNCIL EXCELLENCE OVERVIEW AND SCRUTINY COMMITTEE

Monday, 1 February 2010

Present: Councillor C Meaden (Chair)

Councillors C Teggin A Pritchard
L Rowlands AER Jones
D Elderton P Gilchrist
G Ellis S Quinn

Deputies: Councillors H Smith (In place of J George)

45 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST/PARTY WHIP

Members were asked to consider whether they had personal or prejudicial interests in connection with any item(s) on this agenda and, if so, to declare them and state what they were. Members were reminded that they should also declare, pursuant to paragraph 18 of the Overview and Scrutiny Procedure Rules, whether they were subject to a party whip in connection with any item(s) to be considered and, if so, to declare it and state the nature of the whipping arrangement.

No such declarations were made.

46 MINUTES

Resolved – That the minutes of the meeting held on 19 November 2009, be approved.

47 FINANCIAL MONITORING STATEMENT

The Director of Finance presented a summary in tabular format of the current position of the revenue accounts and General Fund balances as at 31 December 2009. He set out those areas where there were reports of financial pressures, and he commented in particular upon continuing pressures in Adult Social Services, Children and Young People, Regeneration, Technical Services and Finance/Treasury Management. At this stage of the financial year, the decisions taken by the Cabinet and the overspends in Adult Social Services, Children and Young People, Regeneration and Technical Services, if realised would reduce the balance at 31 March 2010 by £3.1m (down to £2.9m). He referred to significant progress that had been made in Children and Young People and commented that relevant Directors were looking at actions to address the projected overspends.

In response to a comment from a Member, the Director confirmed that balances would be restored to £6.5m for 2010/2011. However, that amount would be reduced by any overspend that had not been addressed by the year end.

Resolved – That the report be noted.

48 GENERAL FINANCIAL MATTERS

The Director of Finance provided information on the treasury management position, monitoring of the prudential indicators, the position regarding Council Tax, National Non Domestic Rate, general debt and cash income collection and the payment of benefits. He provided also, an update in relation to the current economic environment and commented that the Bank of England base rate was forecast to remain at 0.5% throughout the financial year.

In relation to a comment from a Member in relation to the number of prosecutions for Housing Benefit fraud, the Director indicated that the majority of cases were resolved without the need for prosecution, which was seen only as a last resort when other methods of recovery had failed. Members commented also upon shortfalls in cash income from golf courses, car parking and school meals. In response, the Director confirmed that income from golf courses and Car Parks (Pay and Display Tickets and Penalty Notices) were expected to be significantly underachieved. However, the Director of Children's Services was confident that budgeted schools meals income would be achieved.

Resolved –

- (1) That the report be noted.**
- (2) That the concerns of the Committee in relation to underachieved income from golf courses for the last three years be brought to the attention of the Cabinet.**

49 BUDGET PROJECTIONS 2011 - 2014

The Director of Finance reported that with the release of the Chancellor of the Exchequer's Pre-Budget Report on 9 December 2009 it was now possible to revise the estimate of the projected budgets for the years from 2011 to 2014. He set out the assumptions underpinning the projections and reported also that the Government had agreed to various elements of the Local Government Finance Settlement being reviewed as part of the 2011 settlement. However, there was a possibility that the Local Government Finance Settlement to be announced in December 2010 would only cover 2011-2012 as it may not be possible to conclude a Comprehensive Spending Review in 2010.

Based on the assumptions set out in his report, the Director indicated a projected shortfall of some £67m over three years, which would require efficiencies of £20.3m in 2011-12, £15.7m in 2012-13 and £18.8m in 2013-14. The Director proposed that budget projections be kept under review and that further efficiencies be sought through the delivery of the strategic change programme, the further extension of that programme and by specific service efficiencies.

Resolved – That the report be noted.

50 2009/2010 THIRD QUARTER PERFORMANCE REPORT

The Deputy Chief Executive/Director of Corporate Services gave a detailed presentation to highlight the key achievements and performance issues which had been identified in the 2009/2010 third quarter monitoring period. He referred in particular to 71.7% of priorities for improvement achieving or exceeding targets, to

the success of the Apprenticeship Scheme and to crime levels falling more rapidly in Wirral than in other parts of the region. The Equality Standard for Local Government rating had improved from Level 2 to Level 3 and he referred also to a successful workshop to review performance and financial management arrangements held with the Audit Commission.

Although the recession continued to impact the Council continued to mitigate the effects with good intelligence and strong partnership working, with support provided to individuals and businesses. In response to comments from Members, he outlined the varied nature of the support to businesses provided by the Council and he agreed also to undertake an analysis as to the factors affecting the success or failure of businesses during the financial recession. He referred also to the development of a Recovery Plan with actions for the provision of suitable conditions for future investment, which would be presented to the Cabinet in February. He identified both what worked well and the key risks and performance issues in relation to each of the Council's Strategic Objectives and provided also an overall performance summary relevant to the Council Excellence Overview and Scrutiny committee, together with information in relation to targets to reduce the number of working days/shifts lost due to sickness absence.

The Director of Finance provided information in relation to key financial headlines and reported also upon the revenue budget and capital programme 2009/2010. In response to questions from Members the Deputy Chief Executive agreed to circulate a copy of his presentation and he indicated that a detailed Performance Report would soon be made available in the Council's Web Library. In response to a question from a Member in relation to vulnerable households assisted under Warm Front being below target, the Director proposed to circulate a detailed explanation direct to Members.

Resolved –

- (1) That the presentation be noted and the thanks of the Committee be accorded to the officers for the key achievements identified.**
- (2) That the results of an analysis of the factors governing the success or failure of businesses during the recession be circulated to Members.**
- (3) That a Year End Report be presented to the next meeting of the Committee upon those projects/indicators in the Red sector of the Performance Summary, where critical milestones have been missed or there is serious slippage.**

51 MANAGING FRAUD

Further to minutes 53 and 79 (Audit and Risk Management Committee – 25 November 2009 and 18 January 2010) the Director of Finance reported that Internal Audit had conducted a thorough review of the systems in operation across the Council to manage the risk of fraud. This had involved undertaking a detailed exercise to examine the counter fraud policies that the Council had in place and an evaluation against current best practice contained in the 'Managing the Risk of Fraud – Actions to Counter Fraud and Corruption' publication produced by CIPFA for use by local authorities.

He presented a comprehensive internal audit report and action plan that had been prepared for Chief Officers, which identified the findings of the review including the actions required to improve the systems in operation. All of the actions and a timetable for implementation had been agreed with the relevant Chief Officers and the Director proposed to present a further update on progress later in the year to the Audit and Risk Management Committee.

Resolved –

(1) That the report be noted.

(2) That an update be presented to a future meeting of the Committee.

52 AUDIT COMMISSION REPORT - COMMISSIONING AND PROCUREMENT REVIEW

At the request of the District Auditor, the Director of Finance presented the Audit Commission Report 'Commissioning and Procurement Review' which had been considered by the Audit and Risk Management Committee at its meeting on 18 January 2010 (minute 67 refers).

He commented that the Local Government and Public Involvement in Health Act 2007 introduced a clear focus on local public sector partners working together to provide better outcomes for local communities and a key means of delivering those better outcomes would be through the use of commissioning and procurement. The report provided a definition of the terms and set out the scope and objectives of the review. It also included an agreed Action Plan to ensure compliance with the Audit Commission recommendations.

In response to comments from Members that too much procurement was processed outside the i-procurement system, the Director outlined the work that was needed to ensure compliance.

Resolved – That the report be noted.

53 OFFICE ACCOMMODATION UPDATE - STRATEGIC ASSET REVIEW

Further to minute 44 (19 November 2009), the Director of Law, HR and Asset Management provided a detailed update on the work being undertaken in accordance with the Strategic Asset Review (SAR) to rationalise office accommodation to achieve at least a 20% (£1m) reduction in accommodation costs by 2011. In response to a comment from a Member, he indicated that although a key focus was to meet the savings target, the underlying rationale was to improve efficiency and make effective use of the Council's assets. The present position was that a project manager had been appointed and a project initiation document and project plan had been agreed by the SAR Board. The project plan contained five key work streams, each of which was led by an identified officer. In addition, an internal project team drawn from all departments within the Council had been formed to deliver planned actions within each of the work streams, viz: -

- Work Stream 1: Baseline Information
- Work Stream 2: Building Utilisation/Disposal
- Work Stream 3: Workplace Change/Policy

- Work Stream 4: Facilities Management
- Work Stream 5: Implementation

He indicated that office rationalisation formed part of the wider corporate change programme and was being dealt with in a corporate context. The project was complex, with an appropriate formal governance structure drawing on input from all departments and from key resource areas. Consultants had been appointed to support the project and to develop a business case for the Council's future office need and whilst the vacation and disposal of some minor administrative assets was proceeding, the bulk of the rationalisation programme would follow the agreement of the business case. In the meantime, preparatory work was underway in a number of areas to ensure that, once the rationalisation programme was finalised, it could proceed as quickly as possible.

In response to comments from Members in relation to the appointment of EC Harris as consultants to support the office rationalisation programme, he outlined their key roles within a clearly defined brief and proposed to provide Members with information related to their appointment.

Resolved –

(1) That the report be noted.

(2) That a further update be presented to the next meeting of the Committee.

54 FREEDOM OF INFORMATION ACT - UPDATE

The Chair indicated that she had requested that this item be withdrawn and presented to the next meeting of the Committee in order to enable officers to provide a more detailed update to the last monitoring report, which was considered by the Community and Customer Engagement Overview and Scrutiny Committee (minute 38 (8 April 2009) refers).

55 COMMUNITY COHESION - UPDATE

Further to minute 35 (19 November 2009), the Head of Policy and Performance provided an update in relation to how the Council continued to work towards improved community cohesion. Monthly community tension monitoring reports were sent to GONW as part of the Prevent agenda and since the last meeting, the Council had also supported a number of 'cohesion' activities, including –

- A multi-cultural inter-generational event organised by the Wirral Elders African Caribbean Community Voice.
- A Life Expectancy Project, developed by Wirral churches, in response to the discrepancy between the different areas of the Borough.

She reported that the Council was developing an action plan to ensure adequate levels of English Speaking for people who speak Other Languages (ESOL) classes were available within Wirral. The Council would also be liaising with Mott Macdonald in order to map Wirral's communities and broader 'cohesion' activities. In addition, officers had visited Lancashire County Council who had been awarded Beacon status for their Community Cohesion Partnership and she indicated that many of the lessons learned by Lancashire could prove useful for Wirral.

Resolved –

- (1) That the update be noted.**
- (2) That the frequency of more detailed updates in relation to community cohesion be considered as part of the work programme at the next meeting of the Committee.**
- (3) That the Corporate Policy Team Briefing Note be circulated to all Members of the Committee.**

56 **REVIEW OF SCRUTINY WORK PROGRAMME**

The Chair presented an update to the agreed work programme, which had been designed around the four themes of the Comprehensive Area Assessment (Sustainability, Tackling Inequality, Vulnerable People and Value for Money), which was how Council Excellence would be judged by Audit Commission inspectors. She was pleased to report that the Committee's targets for the year had all been achieved and thanked Members and officers for their ongoing support.

Resolved – That a Work Programme for the 2010/2011 municipal year be considered at the next meeting of the Committee and any issues to be included within it be notified to the Chair direct.
