

COUNCIL EXCELLENCE OVERVIEW AND SCRUTINY COMMITTEE

Tuesday, 31 January 2012

Present: Councillor P Gilchrist (Chair)

Councillors A Brighthouse P Doughty
J Keeley C Jones
D Dodd S Williams

Deputies: Councillors P Hayes (In place of J Hale)
C Povall (In place of A Cox)
J Salter (In place of RL Abbey)

73 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.

Councillor P Doughty declared his personal interest in agenda item 6 – Revenues Income and Benefits (see minute 78 post) by virtue of his employment.

74 MINUTES

Resolved – That the minutes of the meeting held on 17 November 2011 be approved.

75 CORPORATE GOVERNANCE COMMITTEE - PROGRESS REPORT

Further to minute 61 (17 November 2011), the Director of Law, HR and Asset Management presented an overview, for monitoring purposes, of the work being carried out in an attempt to strengthen the Council's Corporate Governance by developing and progressing the Corporate Governance work programme, to ensure that the weaknesses highlighted in the AKA Report were being properly addressed. He set out the terms of reference of the Corporate Governance Committee and set out the decisions made at each of its meetings to date.

Resolved –

- (1) That the progress made by the Corporate Governance Committee to date in addressing the findings of the AKA Report on Corporate Governance be noted.**

- (2) That the Director of Law, HR and Asset Management be requested to present a further report to the next meeting of the Committee on how the weaknesses in the Council's Corporate Governance identified in the AKA Report are being addressed, so that this Committee can monitor how the Cabinet Committee is bringing about improvements.**

76 CORPORATE PLAN

In accordance with Council minutes 77 and 78 (12 December, 2011), the Committee considered those parts of the Corporate Plan within its remit. The Committee had also had sight of a motion which had been referred to all Overview and Scrutiny Committees by the Council at its meeting on 12 December, 2011 (minute 76 refers) and which was considered in connection with the Corporate Plan.

The Draft Corporate Plan and report of the Chief Executive which had been considered by Cabinet at its meeting on 8 December were considered by the Committee and the Chair sought the views of Members. He commented also that the Council Excellence O&S Committee had a coordinating role in relation to the overall production of the Corporate Plan and he had requested that the views of the other themed O&S Committees were presented for Members' consideration. The Director of Law, HR and Asset Management submitted the following minutes –

- Minute 39 – Economy and Regeneration O&S (16 January 2012)
- Minute 44 – Health and Well Being O&S (19 January 2012)
- Minute 49 – Children and Young People O&S (26 January 2012)
- Minute 62 – Sustainable Communities O&S (30 January 2012)

The Chair referred to an email he had circulated to Members of the Committee, which contained extracts of the Audit Commission's Corporate Assessments of Wirral from December 2002 and from December 2005, both of which contained comments in relation to the development of the Corporate Plan.

Members expressed a diverse range of views in relation to the Corporate Plan, including –

- That although it is a very important document, it should be more concise.
- That if it does not contain clear and quantifiable targets, it will do nothing to improve performance.
- That the Plan is aspirational and lacks clear targets.
- That the Plan contains no reference to the Strategic Change Programme.

Members commented also –

- That the Corporate Plan is all-encompassing and detailed enough for members of the public to engage with and that there is clear indication of where to access specific more detailed information.
- The Plan should not contain specific targets or high levels of detail, but should give an indication as to the general direction of the Council.
- That, being a 3 Year Plan, it should contain goals for the life of the Plan, rather than targets. Future reports from officers will then include specific targets for the achievement of the goals set out in the Plan.
- That the need for change is clearly set out in the introduction to the Plan

On a motion by Councillor Gilchrist and seconded by Councillor Brighouse, it was –

Resolved –

- (1) That the comments of the Committee be referred to the Cabinet.**
- (2) That the Council Excellence O&S Committee welcomes the principal of the Corporate Plan as a Statement of the Council's Priorities.**
- (3) That Committee looks forward to the Plan being produced in a more accessible format.**
- (4) That Committee looks forward to targets being provided, in order for the Plan to become a more meaningful document and to allow progress to be measured.**
- (5) That the Committee welcomes the comments contained within the Corporate Plan in relation to poverty.**

77 FINANCIAL MONITORING STATEMENT

The Deputy Chief Executive/Director of Finance presented a summary of the position of the revenue accounts and General Fund balances as at 31 December 2011. The Financial Monitoring Statement included the composition of the original 2011/2012 budget by Department including agreed savings and the 'one year' policy options; monitoring against the 2011/2012 budget including the financial implications of any changes agreed through Cabinet decisions; anticipated variances not agreed by the Cabinet, against the original budget; and comments, which provided an explanation of variances and areas that were identified as requiring further attention.

The Director set out the impact of Cabinet decisions which had budget implications and highlighted the potentially volatile areas within departments that had been highlighted by Chief Officers. In response to questions from Members as to why some serious financial pressures were rated as Amber and not Red, the Director indicated that the rating was based upon a judgement by Chief Officers as to whether or not any overspend could be contained. Members expressed a view that more should be done to maximize income and that overspend should be flagged up earlier by Chief Officers to allow more time for remedial action to be taken. In addition, Members commented that Chief Officers should provide an early indication to the Cabinet as to whether budget allocations were realistic and sufficient for services to be delivered.

Resolved –

- (1) That the Financial Monitoring Statement be noted.**
- (2) That the officers be requested to review the Red, Amber and Green rating system so that serious financial pressures will be flagged as Red at an earlier stage, to allow more time for corrective action to be taken.**

78 REVENUES INCOME AND BENEFITS

The Deputy Chief Executive/Director of Finance provided information on the position regarding Council Tax, National Non-Domestic Rate, general debt and cash income collection and the payment of benefits and he provided a commentary on the

variances between 2010/2011 and 2011/2012. In response to comments from Members, the Director commented also that the Cabinet (minute 244 (12 January 2012) refers) had agreed that fees and charges should be reviewed on a regular basis as it was good practice for the Council to have a comprehensive list of fees and charges approved as part of the budget process. Accordingly, Chief Officers were undertaking a review to identify any opportunities to increase income and would also be presenting comparison data with other local authorities for consideration by the Cabinet in 2012. Members also expressed their concern in relation to reduced income from parking, and golf courses and in particular in relation to building control.

Resolved –

- (1) That the report be noted.**
- (2) That the results of the review of fees and charges being undertaken by Chief Officers be presented to a future meeting of this Committee.**
- (3) That the Director of Technical Services be requested to attend the next meeting of the Committee to provide further information to Members in relation to the achievement of income targets in those areas within his remit.**

79 PROVISIONAL LOCAL GOVERNMENT FINANCE SETTLEMENT 2012/2013

The Deputy Chief Executive/Director of Finance reported that the Provisional Local Government Finance Settlement for 2012/2013 had been announced on 8 December 2011 and that following a consultation period, the Final Settlement had been issued today. He commented that his report had set out the latest information in respect of Wirral's Government Grant support and it appeared that the figures contained within it remained unchanged. However, the information within the Final Settlement was being analysed and would be presented to the Cabinet on 2 February 2012.

Resolved –

- (1) That the implications of the Local Government Finance Settlement be noted.**
- (2) That the Authority should continue to use every opportunity to state the case for further improvement in Wirral's Settlement**

80 SECURE DISPOSAL OF CONFIDENTIAL WASTE

The Deputy Chief Executive/Director of Finance reported upon the award of a contract to PHS Datashred, under the scheme of delegation, for the secure disposal of confidential waste. The contract commenced on 1 November 2011 for a period of three years, with an option for two further extensions, each for up to one year and he reported that a full tender process had been conducted in accordance with the European Union regulations under the restricted procedure. The Director outlined the scope of the contract and indicated that the results of the evaluation of tenders were contained within an exempt report (see minute 88 post), which was not for publication as it contained commercially sensitive information.

Resolved – That the award of the contract for the Secure Disposal of Confidential Waste to the highest scoring tenderer, be noted.

81 YOU CHOOSE CONSULTATION

The Deputy Chief Executive/Director of Finance provided details of the findings of the You Choose Budget Simulator, which were based upon responses received during the consultation process between 19 August and 30 November 2011. He reported that the Local Government and Public Engagement in Health Act 2007 placed upon local authorities a duty to involve, which required the provision of information and the opportunity for consultation and involvement of residents and other stakeholders. The Budget Simulator along with the development of Neighbourhood Plans was part of a process of engaging and raising the awareness of the residents of the Borough in the issues facing the Council.

The Director commented that of approximately fifty English Councils that had used the simulator package, the Wirral response rate was the second highest. The average reduction to service funding suggested by respondents of approximately £29m would result in a reduction in Council Tax of 3%, which was similar to You Choose consultations undertaken by other local authorities. He set out suggestions that had been received for raising income and making efficiencies and commented that the results shared a number of similarities with the recent Neighbourhood Plans consultation.

Resolved – That the report be noted.

82 PROVISION FOR PAY 2010-2011

The Deputy Chief Executive/Director of Finance reported that following the Cabinet decision (minute 216 (8 December 2011) refers) to release £1.4m of pay provision from the Council Budget for 2012/2013, the Council (minute 97 (12 December 2011) refers) referred the decision to this Committee for consideration. The Director confirmed that no pay award had been made in 2010/2011 so there had been no demand on the budget of £1.4m. As the budget was under continual review to identify potential efficiencies and savings, the Cabinet had agreed that the amount should be removed from the budget for 2012/2013.

Resolved – That the report be noted.

83 OFFICE RATIONALISATION - UPDATE

At the request of the Chair, the Director of Law, HR and Asset Management presented his report on Office Rationalisation, which was to be considered by the Cabinet at its meeting on 2 February 2012. The report sought decisions from the Cabinet to guide further rationalisation of the Council's administrative accommodation. It reviewed progress made to date and sought confirmation of the strategy that had been developed over the past three years as a basis for further decisions on the retention or vacation and disposal of individual buildings.

The Head of Asset Management commented that the report drew upon lessons learned from work to date and considered the likely context within which further rationalisation would be required. It reviewed the current stock of 'core' administrative accommodation, made recommendations to vacate specific buildings and sought a decision on options for the further vacation of core administrative buildings.

The Chair advised that he had requested feedback from all Members of the Council and he sought the views of the Committee to be presented to the Cabinet in relation to the recommendations contained within the report and specifically, to the preferred option for the vacation of a further core building or buildings.

Members commented that progress had been slow in the development of the Strategy and options appeared to be limited for target reductions in overall space occupancy to be met. Members supported the retention of Birkenhead Town Hall and expressed the view that a plan should have been in place to allow for changes to be made to Planning Policy to allow for the disposal of sites at the Bebington complex to be used for residential development. Members considered the proposals for the Conway and Hamilton Buildings and how to make best use of the available space. The Committee also re-affirmed its view, previously expressed (minute 32 (24 August 2010) refers) that the refurbishment and intensification in the use of the North and South Annexes at Wallasey, was the preferred option (Option 3 in Appendix E of the Cabinet Report).

However, a Member expressed an opinion that, at this stage, the Committee should not indicate a preferred option and commented that Option 3 was not ambitious enough, as it would remove only 2,645 sq.m. of floor space.

On a Motion by Councillor Gilchrist and seconded by Councillor Keeley, it was –

Resolved (9:1) (Councillor Brighthouse voting against (2) below) –

- (1) That the comments of the Committee be referred to the Cabinet.**
- (2) That Committee believes Option 3 to be the most practicable option at this stage, and that it reflects the Committee's previously stated view in relation to the redevelopment and intensification in use of the North and South Annexes.**

84 DESTINATION EXCELLENCE

The Chair advised that he had requested an update upon feedback received from staff who had attended the recent series of 'Destination Excellence' meetings with the Leader of the Council and Chief Executive. The Director of Finance indicated that some 4000 people had attended the events and over 1000 feedback forms had been returned to date, which were in the process of being analysed. A confidential email address had also been set up for staff to highlight any concerns they had related to corporate governance or the general running of the Council.

Resolved – That a report be presented to a future meeting of the Committee, once the analysis of feedback has been completed.

85 FORWARD PLAN

The Director of Law, HR and Asset Management reported that the Forward Plan for the period February to May 2012 had been published on the Council's intranet/website. Members had been invited to review the Plan prior to the meeting in order for the Council Excellence Overview and Scrutiny Committee to consider, having regard to its work programme, whether scrutiny should take place of any items contained within the Plan and, if so, how it could be done within relevant timescales and resources.

Resolved – That update reports from the Deputy Chief Executive/Director of Finance be presented to the March 2012 meeting upon the following items within the Forward Plan –

- **Strategic Change Programme**
- **Benefits Budget**
- **Balance Sheet Management**
- **Welfare Reform**

86 REVIEW OF SCRUTINY WORK PROGRAMME

The Committee considered its work programme and the Chair sought the views of Members as to whether any additional topics should be added to it, having regard to whether scrutiny could be undertaken within relevant timescales and resources.

Resolved –

(1) That reports on the following matters be presented to the March 2012 meeting of the Committee –

- **Financial Monitoring Statement**
- **Revenues Incomes and Benefits**
- **Budget Projections**
- **Treasury Management Performance**
- **Performance Monitoring Report**

(2) That an update report in relation to the Centralisation of the Finance Function be presented to a future meeting of the Committee.

87 EXEMPT INFORMATION - EXCLUSION OF MEMBERS OF THE PUBLIC

Resolved – That in accordance with section 100A (4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following item of business, on the grounds that it involves the likely disclosure of exempt information as defined by the relevant paragraphs of Part 1 of Schedule 12A (as amended) to that Act. The public interest test has been applied and favours exclusion.

88 SECURE DISPOSAL OF CONFIDENTIAL WASTE - TENDER REPORT

The Deputy Chief Executive/Director of Finance presented an evaluation of the tenders received for the contract for the Secure Disposal of Confidential Waste (see minute 80 ante).

Resolved – That the tender evaluation be noted.
