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COUNCIL EXCELLENCE OVERVIEW AND SCRUTINY COMMITTEE

Wednesday, 16 September 2009

Present:

Councillor	C Meaden (Chair)		
Councillors	C Teggin	J George	
	L Rowlands	AER Jones	
	D Elderton	R Wilkins	
	G Ellis		

Deputies:

Councillors	F Doyle (In place of S Quinn)		
	P Hayes (In place of A Pritchard)		

17 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 Teggin declared his personal interest in agenda item 14 – Housing Benefit/Council Tax Benefit Annual Report (see minute 31 post) by virtue of him being a private landlord.

18 MINUTES

Resolved – That the minutes of the meeting held on 1 July 2009 be approved.

19 QUARTER ONE PERFORMANCE AND FINANCIAL REVIEW PRESENTATION

The Deputy Chief Executive/Director of Corporate Services commented that the First Quarter Performance Report 2009/2010 was available for inspection in the Web Library and he gave a detailed presentation to highlight the key achievements and performance issues which had been identified in the monitoring period. He referred particularly to measures taken to combat the effects of the economic recession and identified both what worked well and the key risks in relation to each of the Council's Strategic Objectives. He provided also an overall performance summary relevant to the scrutiny committee, together with information in relation to targets to reduce sickness absence.

The Director of Finance commented upon the key financial headlines and provided information in relation to the revenue budget and capital programme 2009/2010.

In response to comments from members, the Directors outlined the benefits of partnership working with Knowsley Council to improve the benefits service. They commented also that although the prevailing view was that the UK economy would come out of recession in the third quarter, there would still be significant economic problems to be addressed.

With regard to further comments from members, particularly in relation to grant funding not realised, the Deputy Chief Executive proposed to circulate a detailed briefing note.

Resolved –

(1) That the presentation be noted.

(2) That the presentation be circulated to members of the Committee.

20 PRESENTATION - COMPREHENSIVE AREA ASSESSMENT

Mr P Forrester of the Audit Commission gave a presentation on the Comprehensive Area Assessment (CAA), which was the new way of assessing how well people were being served by their local public services. It would look at how public services worked together and would focus on local, as well as national priorities, to provide a robust, but proportionate assessment of local services that would be reported directly to the public in straightforward language. It was intended that improved accountability would strengthen local democracy and a two way relationship would assist in the scrutiny function.

He outlined the factors that contributed to the area and organisational assessments, which were now in progress and commented that the final assessments would be shared with local partners in September/October 2009. Any remaining reviews would be resolved in early November and on 10 December 2009 a new website, 'oneplace', would be operational with the first set of CAA reports published in straightforward, jargon-free language.

Resolved –

(1) That the presentation be noted.

(2) That the presentation be circulated to members of the Committee.

21 REVIEW OF SCRUTINY WORK PROGRAMME

Further to minute 12 (1 July 2009), the Deputy Chief Executive/Director of Corporate Services reported that officers had considered how best to develop the Committee's work programme and were at present undertaking a piece of work in relation to a SWOT analysis on each theme of the CAA assessment, which it was proposed to present to the next meeting of the Committee.

Resolved – That a further more detailed report be presented to the next meeting.

22 **AUDIT COMMISSION - PERFORMANCE MANAGEMENT REVIEW**

The Deputy Chief Executive/Director of Corporate Services highlighted the critical importance to the Council of Performance Management and he reported upon the significant steps that had been taken to improve performance management both across the organisation from a corporate and departmental perspective, and for Wirral's local strategic partnership.

He reported that in April 2009, the Audit Commission began a review of the performance management arrangements in place across the council, in order to work with the authority to deliver further improvements. A key aim of the review was to focus upon how performance management was applied consistently across departments and it was anticipated that the review would not only examine progress and highlight areas of good practice, but would also identify further opportunities for improvement.

The first stage of the review involved an online survey of managers across the Council and a baseline questionnaire exercise to obtain an initial picture of performance management arrangements and issues within departments. The Audit Commission Audit Manager provided an overall summary of the key findings from Stage 1 of the review and confirmed that the survey had been confidential and had achieved an excellent response rate of 63%. She outlined the areas to be probed in more detail as part of the Stage 2 work and indicated that it would involve a series of focus groups with managers and elected members, a review of key documents used to improve performance and an action planning session to focus upon issues to be addressed to enhance the existing performance management framework.

Resolved –

(1) That the findings of Stage 1 of the performance management review, and the areas for further focus be noted.

(2) That Committee notes the intention that Stage Two of the review will be integrated with the Audit Commission's Better Financial Management Review to reflect and build upon the improvements the council has made towards integrating performance and financial management.

23 **AUDIT COMMISSION - FINANCIAL MANAGEMENT REVIEW**

The Director of Finance reported that financial management was integral to the success of any organisation and it sought to ensure that resources were used to successfully deliver the agreed aims and objectives. Clearly there were strong links with performance and he commented that Wirral continued to develop the linkages as reported to the Cabinet on 9 April 2009 (minute 459 refers) on the Financial and Performance Management arrangements for 2009/2010.

He reported that the Council had made some significant steps to improve and integrate financial and performance management over recent years and the latest direction of travel statement from the Audit Commission reflected the improvements

made, stating that 'The Council continues to develop its capacity for future delivery and has improved its arrangements for managing its resources. Ambitions and priorities for the area have been clarified and performance management arrangements are being strengthened.'

The Director commented that the Council recognised that there was further work to be done and would continue to develop financial and performance management arrangements to drive further improvements. The Audit Commission review aimed to ensure that the Council continues to develop and strengthen its financial management arrangements to support the delivery of the desired outcomes.

The Audit Commission Audit Manager presented that document 'Improvement through Better Financial Management', which provided an analysis of surveys undertaken with Councillors, Budget Holders and Financial Staff. She provided a summary of the main conclusions, which were positive overall, with a number of strengths identified. The key messages would be explored in further detail in focus groups with a range of officers and elected members.

Resolved – That the messages from the financial management review be integrated with the Audit Commission review of Performance Management to reflect and build upon the improvements made towards integrating performance and financial management.

24 **EQUALITY AND DIVERSITY: QUARTER 1 2009 - 2010 PERFORMANCE MONITORING REPORT**

The Corporate Equality and Cohesion Manager presented the first quarter 2009/2010 Equality and Diversity Performance Monitoring Report, which provided details of progress on Departmental Equality Groups' Action Plans and the Equality Watch Scheme 2009-2012. The milestones had been classified as Green (all milestones that should have been met at this point have been met), Amber (some slippage of non-critical milestones or there is a danger of non-critical slippage) and Red (critical milestones have been missed or there is a danger of serious slippage of critical milestones). Corrective action had been set out, with the responsible officer identified and she provided a summary of progress and reported that overall, 80 actions were classed as green, 29 amber and 6 red.

Work had been undertaken to identify hotspot areas and she commented that a significant area of a milestone being missed related to Elumos training being undertaken by all elected members. Further corrective action was expected to be undertaken as a result of the recent appointment of key senior managers.

Resolved –

(1) That the report be noted and the thanks of the Committee be accorded to those staff involved with the preparation of the monitoring report.

(2) That a reminder be circulated to all members of the Council with regard to the importance of completing the Elumos training modules.

(3) That the importance of completing the outstanding corrective actions be brought to the attention of those newly appointed managers identified in the report now submitted.

25 **FINANCIAL MONITORING STATEMENT**

The Director of Finance provided a summary in tabular format of the position of the revenue accounts and General Fund balances at 31 July 2009. He also circulated a copy of the position as at 31 August 2009 and reported that at this stage of the financial year there were reports of pressures in Adult Social Services, Children and Young People and Regeneration. If the overspends were realised, the balance at 31 March 2010 would reduce by £4.1m (from £6m down to £1.9m).

In response to a question from a member, he reported that despite significant pressures, the Directors were confident of addressing the projected overspends by the year end.

Resolved –

(1) That this Committee registers its serious concern with regard to the projected overspend in CYPD and Adult Social Services.

(2) That the Children and Young People and Health and Well Being Overview and Scrutiny Committees be requested to consider the concerns expressed and to keep this Committee informed of actions to address each departments projected deficit.

(3) That the serious concerns of this Committee in relation to the projected overspend be referred to the Cabinet for consideration.

26 **GENERAL FINANCIAL MATTERS**

The Director of Finance provided provides 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 referred to the current economic environment and commented that markets remained volatile as sentiment moved between confidence, with talk of “green shoots”, and disillusionment that the global economy would struggle further before it recovered.

In response to comments from members, he indicated that the return on investment with Heritable Bank was being received in phases with a base case 80% return anticipated by 2012. However, if conditions improved over the period, the final recovery could be higher than the base case and the Council remained confident that the money would be repaid in full.

Resolved – That the report be noted.

27 **PROJECTED BUDGET 2010 - 2011**

The Director of Finance presented the projected budget for 2010-2011 which would be the final year of the Comprehensive Spending Review (CSR) 2007. He set out

variations which had been identified for 2010-2011 together with other developments that were likely to impact on the financial position of the authority. The projected budget shortfall for 2010-2011 was £11.3m, which would need to be bridged by a combination of savings and/or increased Council Tax.

Resolved – That the projected budget for 2010-2011 be updated and reported regularly to the Cabinet and this Scrutiny Committee.

28 **CUSTOMER SERVICES ANNUAL REPORT**

The Director of Finance presented the annual update regarding the performance and delivery of Customer Services, which provided a review of the past year, highlighted developments and also some of the challenges faced. It provided an insight into future plans which aimed to both further improve and extend the range of services delivered, whilst also widening the ways in which the customer could contact the Council. He provided also an update in relation to the Customer Access Strategy and highlighted performance monitored by the Call Centre and One Stop Shops.

As part of service assessment, the Audit Commission undertook an inspection of Access to Services during September 2008, which ranked the provision at two stars with promising prospects for improvement. He commented that this had not been exceeded by any top tier local authority and the Audit Commission inspection team gave the Council the 'Good' rating, because of its impact on improving and providing Access to Services to meet the needs of diverse communities.

Resolved – That the report be noted.

29 **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 items of business, on the grounds that they involve the likely disclosure of exempt information as defined by the relevant paragraphs of Part 1 of Schedule 12A to that Act.

30 **INCREASED INTERNET CONNECTION CAPACITY**

The Director of Finance reported upon the award of a contract for the provision of two 100Mb/s connections to the Internet. The tender had been accepted under delegation, being both the lowest price and meeting the requirements of the service specification.

Resolved – That the award of the contract to ntl: Telewest Business be noted.

31 **HOUSING BENEFIT/COUNCIL TAX BENEFIT ANNUAL REPORT**

The Director of Finance provided an update on the progress of the Benefits Service over the last year and he outlined the challenges to be faced in the coming months. He commented that the benefits service had maintained excellent service standards through a further period of challenge and change and improvement and enhancement programmes continued with strategies routinely reviewed to ensure the ability to respond to customer expectation and ongoing DWP reforms.

Resolved – That the report be noted.

32 FINANCE TRAINING

The Chair referred to Finance training that had been arranged by the Director of Finance on 30 September and 7 October 2009. Although all members of the Council had been invited, the training was of particular relevance to members of this Committee and she urged members to attend if it was possible for them to do so.

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