

CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE
19 NOVEMBER 2012

Minutes of the meeting of the Corporate Resources Overview & Scrutiny Committee of Flintshire County Council held at Delyn Committee Room, County Hall, Mold CH7 6NA on Monday, 19 November 2012

PRESENT: Councillor Richard Jones (Chairman)

Councillors Haydn Bateman, Clive Carver, Peter Curtis, Ian Dunbar, Ron Hampson, Richard Lloyd, Mike Lowe, Paul Shotton, Ian Smith and Nigel Steele-Mortimer

SUBSTITUTION:

Councillor Carolyn Thomas for Patrick Heesom

ALSO PRESENT:

Councillors: J.B. Attridge and P.G. Heesom and the Policy Performance and Partnerships Manager observed the meeting

APOLOGIES:

Councillors Marion Bateman and Arnold Woolley

CONTRIBUTORS:

The Leader of the Council, Cabinet Member for Corporate Management, Chief Executive and Head of Finance

For minute number 41 - Mr. Huw Lloyd Jones from the office of the Auditor General for Wales

For minute number 42 - Corporate Finance Manager

For minute number 43 - Revenues Manager

For minute number 44 - Head of Human Resources and Organisational Development

IN ATTENDANCE:

Member Engagement Manager and Committee Officer

38. DECLARATIONS OF INTEREST (INCLUDING WHIPPING DECLARATIONS)

No declarations of interest were made.

39. ADDITIONAL ITEM

The Chairman explained that he had agreed that an urgent item would be included on the agenda for consideration as an additional, urgent item as provided for under Section 100 B (4) (b) of the Local Government Act 1972 (as amended). The report on the Improvement Assessment Letter from the Auditor General for Wales was circulated to Members. The report was considered as the first item.

RESOLVED:

That the report on the Improvement Assessment Letter from the Auditor General for Wales be considered as an urgent item under Section 100 B (4) (b) of the Local Government Act 1972 (as amended).

40. MINUTES

The minutes of the meeting of the Committee held on 11 October 2012 had been circulated to Members with the agenda.

Matters Arising

Councillor C.A. Thomas said that she had requested information on the School Music Service which she had not received. She had been able to find the information herself and would raise the issues at the next meeting of the Lifelong Learning Overview & Scrutiny Committee.

In response to a request from Councillor A.I. Dunbar on an update on Flintshire Connects in the Deeside area, the Chief Executive said that the office at Holywell was opening on 30 November 2012 and that talks were ongoing about other sites. It was hoped that offices in Flint and Connah's Quay would be opening in 2013 and that discussions would take place with local Members for a site in Buckley. Councillor P.J. Curtis welcomed the opening of Flintshire Connects in Holywell.

Accuracy

Councillor W.P. Shotton said that it was himself and not the Leader of the Council who had made the comments referred to in the second sentence of the final paragraph on page 6.

RESOLVED:

That subject to the foregoing, the minutes be approved as a correct record and signed by the Chairman.

41. IMPROVEMENT ASSESSMENT LETTER FROM THE AUDITOR GENERAL FOR WALES

Mr. H. Lloyd Jones from the Auditor General's office introduced a report to advise Members of the Council's Improvement Assessment Letter October 2012 from the Auditor General for Wales. He detailed the background to the report and explained what had been summarised in the letter, highlighting in particular the Council's arrangements for developing, using and supporting technology and the positive assessment of the Council's services for children and family published by the Care and Social Services Inspectorate Wales (CSSIW).

He went on to comment on the Medium Term Financial Plan (MTFP) and the introduction of a 'benefits realisation approach' to all projects which had the potential to improve the Council's medium term financial planning. He drew Members' attention to the final paragraph in the letter where it was reported that

the Auditor General for Wales was grateful to the Council for the way in which it had helped to facilitate the work of the Auditor General and that he hoped to see even more effective and efficient arrangements developing over time.

The Chief Executive said that the Council's response to the letter was included as appendix 2. The draft response would be submitted to the meeting of Cabinet the following day and included comments about Single Status; a separate report to Cabinet would provide Members with an update including a revised timetable for Single Status. He did not agree entirely with the comments about the use of consultants and said that the MTFP would always be an interactive document due to the number of national economic and other variances which impacted upon it.

Councillors P.J. Curtis and C.A. Thomas expressed their concerns about being asked to comment on a report which had only been circulated at the start of the meeting, without Members having the chance to read it. The Chairman responded that because it was being considered by Cabinet the following day, he felt that it should also be submitted to this Committee and was therefore deemed to be an urgent item. The Chief Executive said that the Authority was not required to publish the document or make a response, but to ensure a transparent process, it was felt that it should be submitted to this Committee and Cabinet together.

The Leader of the Council recognised the concerns made by Members about not seeing the report until the start of this meeting and said that he had shared the concern about openness during the previous administration when he had been in opposition. He said that the letter was a continuation of comments made in previous letters and reminded Members about consistent comments from the Auditor General in previous letters about political fragility being a significant risk. The Leader welcomed the comments about the 'benefits realisation approach' and the need to have efficiency planning and modelling for future years.

The Cabinet Member for Corporate Management highlighted the comments on Single Status and said that there was now an amended timetable in place which would allow the continuation of the work which had already taken place to enable the project to move forward.

In response to a question from Councillor Curtis on the process to assess jobs of equal level were assessed, the Chief Executive said that a pay and grading model would include all Green Book posts and would provide equality.

Councillor G.H. Bateman referred to the Council's response where officers had estimated that between £7m and £8m of efficiencies were required to balance its 2013-14 budget. The Head of Finance responded that this figure had been included in a report on the MTFP to Cabinet in June 2012 and had been an estimate based on work done at that point. The Chief Executive commented on the extensive financial modelling that had been undertaken and which was ongoing.

RESOLVED:

That the report and letter be received and the Council's response be noted.

42. REVENUE BUDGET MONITORING 2012/13 (MONTH 5)

The Corporate Finance Manager introduced a report to provide Members with the Revenue Budget Monitoring 2012/13 (Month 5) which was being submitted to Cabinet on 20 November 2012.

The projected in-year overspend of £0.983m on the Council Fund was mainly due to an increase in the overspend in Corporate Services from £0.090m in month 4 to £0.397m in month 5, offset by a reduction in the overspend in the Lifelong Learning Directorate; overall there was a slight reduction in the projected overspend from month 4. The significant in-year projected variances to date were detailed in appendices 1 to 5 for Council Fund and appendix 7 for Housing Revenue Account (HRA).

The Corporate Finance Manager also highlighted the risks/assumptions and non standard inflation in respect of Energy for Street Lighting, Energy, Fuel and Food. The budgets were monitored closely and would be released when a full assessment of the need had been completed; the current projected outturn assumed that these amounts would be required in full. Appendix 7 detailed the movements to date on unearmarked reserves and the level of contingency sum remaining. As a result of the movements, the current projected level of the contingency reserve at the end of March 2013 was an overdrawn amount of £0.352m. It was the intention of Management to contain the currently projected variation within the overall agreed Council budget for the year which will also have a positive effect on the contingency reserve.

The HRA reported an overall projected underspend of £0.258m and a projected closing balance at Month 5 of £1.327m, which at 4.8% of total expenditure satisfied the prudent approach of ensuring a minimum level of 3%.

The Head of Finance provided Members with further information on the increased overspend in Corporate Services which was largely due to projection for the Finance Division associated with the transitionary period for the implementation of the Finance Review and the work required in preparation for the Welfare Reform changes. As the new Council Tax Support Scheme and Welfare Reform changes were being introduced, it was important to ensure continuity of the service. An increase in resources to respond to a significant temporary increase in workload had been required to ensure the Authority did not incur a penalty of up to £0.200m in Subsidy loss for not completing changes of circumstances in accordance with DWP timeframes. A budget of £0.065m was needed for changes to the Benefits software package to support the new Council Tax Support Scheme. In response to a question from Councillor W.P. Shotton, the Head of Finance said that the Authority had not been notified of any additional funding for set up costs. The Leader of the Council added that the issue of whether further help would be provided was under discussion by the Welsh Government. The Chief Executive said that the introduction of the Council Tax Support Scheme was complex and was a challenge for the Authority.

Councillor A.I. Dunbar asked for an update on the issues raised at the Member briefing sessions in Welfare Reform, such as the numbers of people who would be affected by the changes. The Chairman said that he had spoken with Sian Peters, the Interim Benefits Manager, about identifying ways to help those affected as he felt that there was a need for the Authority and Members to be proactive to raise awareness of the forthcoming changes. The Chief Executive said that all 22 Councils in Wales needed to adopt the new Council Tax Support scheme and added that there was a significant amount of uncertainty of how it would be finalised. Officers were concerned about the risks and collectively felt that the transition period was too short for the system to cope well.

Councillor C.A. Thomas queried the underspend figure of £0.130m reported in appendix 1 for the School Improvement Service and also the cause of the variance under Agricultural Estates Service in appendix 3. The Head of Finance responded that she would make enquiries and would report back to Councillor Thomas on these specific issues.

The Cabinet Member for Corporate Management said that a significant amount of work had been undertaken but that a large amount of work was still required to ensure the correct information was provided to those affected by the Welfare Reform changes.

In referring to the appendices to the report, the Chairman said that he felt that the narrative on the variances could be made clearer to read and that the overspend or underspends should be more easily identifiable. He highlighted a number of variances which he felt were difficult to understand and the Head of Finance responded that, prior to the Committee she had agreed with the Chair and the Vice Chair that Finance officers would meet with the Chair and the Vice Chair to review how the presentation of information could be improved for future reports to aid ease of understanding of the information being reported. Feedback would be provided to the Committee.

Councillor G.H. Bateman commented on the reduction in the income for the ice rink at Deeside Leisure Centre and the Chief Executive responded that scrutiny was being undertaken on income targets as agreed. The Leader of the Council suggested that a detailed discussion be undertaken in a Lifelong Learning Overview & Scrutiny Committee.

The Leader also reminded Members that the projected outturn reflected a second additional allocation of £0.250m from balances to fund additional Capital Expenditure from the Revenue Account (CERA) contribution towards funding of the HRA Capital Programme, bringing the total to £0.500m.

RESOLVED:

- (a) That the report be noted;
- (b) That the Head of Finance provide a response to the queries raised by Councillor C.A. Thomas on the School Improvement Service and the Agricultural Estates Service and to the concerns raised by the Chairman on the narrative on the variances; and

- (c) That Finance Officers meet with the Chair and the Vice Chair to review how the presentation of information could be improved for future reports to aid ease of understanding of the information being reported and that feedback be provided to the Committee.

43. CORPORATE DEBT POLICY

The Head of Finance introduced David Barnes, Revenues Manager, to the Committee.

The Revenues Manager introduced a report to provide Members with details of a report on the introduction of a Corporate Debt Policy that was to be considered by Cabinet in December 2012. He explained that the policy formed part of the Council's Corporate Priorities and had been produced as the Council did not currently have a formal policy in place that detailed the approach to raising of debt, the collection procedures carried out and the action taken to recover unpaid debts. The policy had been developed to adopt best practice specifically in the area of sundry debt collection and provided an opportunity to formalise other well established procedures and regulations for the collection of council tax, business rates and housing benefit overpayments. The Revenues Manager also detailed the key features which had been incorporated into the policy.

Councillor C.S. Carver welcomed the introduction of the policy but queried the wording in the 'summons stage' of the document. Officers explained that the document had been through an extensive consultation process with officers and there had been input from across the Authority. It was agreed that officers would review the final document before submission to the Cabinet.

The Chief Executive said that the policy supported the increased number of Council services which were paid for online in advance. The Cabinet Member for Corporate Management welcomed the policy and explained that he had asked for it to be submitted to this Committee prior to being considered at the Cabinet meeting in December 2012.

RESOLVED:

That the report be noted.

44. PEOPLE STRATEGY

The Head of Human Resources and Organisational Development introduced a report to provide Members with a progress report on the delivery of the People Strategy Action Plan for 2009-2012 as at 30 September 2012. The timeframes for the People Strategy and the ICT Strategy would be re-aligned to support the delivery of key projects such as Agile Working. The report also included actions/projects which were reported 'by exception' if the action or project had been delayed or delivered and the Head of Human Resources and Organisational Development provided further information on these.

In response to a query from the Chairman, the Head of Human Resources and Organisational Development commented on the work which had been

ongoing on a new appraisal system. The new system would ensure that appraisals were being undertaken systematically in all areas and would highlight areas where appraisals were delayed or were not being completed. The Chairman requested that a report be submitted to a future meeting of the Committee on appraisals to include the percentage figures of appraisals completed in each department/directorate.

Councillor G.H. Bateman asked for further information on reference COL/007. The Head of Human Resources and Organisational Development responded that it was an opportunity to bid for funding to develop a toolkit to support work for collaboration projects. She explained that the element for the Conwy and Denbighshire Highways and Infrastructure Integration Project had been withdrawn but the need for a toolkit was still ongoing.

Following a query from Councillor P.J. Curtis on the 'aspiring leaders' programme, the Head of Human Resources and Organisational Development explained that there was an element of classroom learning along with an outreach programme where work on leadership skills was put into practice. She added that she would submit a report to a future meeting of the Committee for consideration. The Chief Executive suggested that those who had taken part in the programme could also attend the meeting to provide Members with further information of their involvement in the programme.

Councillor Bateman asked for more information on CON/010 on Developing a Holiday Policy and in response the Head of Human Resources and Organisational Development said that it would ensure that holiday entitlement across the Authority was consistent.

RESOLVED:

- (a) That the report be noted;
- (b) That a report be submitted to a future meeting of the Committee on appraisals to include the percentage figures of appraisals completed in each department/directorate; and
- (c) That a report on the 'aspiring leaders' programme be submitted to a future meeting of the Committee.

45. FORWARD WORK PROGRAMME

The Member Engagement Manager introduced the report to advise on the Forward Work Programme for the Committee.

He reminded Members of the Capital Programme Briefing scheduled for 22 November 2012 and detailed the reports scheduled to be submitted to the meeting on 13 December 2012. During earlier discussions, it had been agreed that reports on the following would be submitted to Committee on 17 January 2013 along with a report on Revenue Budget Monitoring 2012/13 (Month 7):-

1. Appraisals
2. Assets

3. Management Development Programme

The Member Engagement Manager added that he would also ensure that a briefing paper on Welfare Reform would be circulated to Members when it became available.

The Chairman suggested that the Committee look at one of the service areas detailed in the monthly budget monitoring reports at a future meeting to allow them to discuss and understand the variances reported. The Chief Executive suggested that Social Services be considered. The Member Engagement Manager reminded Members that Overview & Scrutiny Committees could work together to avoid duplication of discussion.

RESOLVED:

- (a) That the report be noted;
- (b) That the Forward Work Programme be amended to include reports on appraisals, assets, management development programme on the 17 January 2013 meeting and for a discussion to understand variances to take place at a future meeting.

46. DURATION OF MEETING

The meeting commenced at 10.00 a.m. and ended at 11.59 a.m.

47. MEMBERS OF THE PRESS AND PUBLIC IN ATTENDANCE

There were no members of the public or press in attendance.

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Chairman