

## **CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE**

**14 JUNE 2018**

Minutes of the meeting of the Corporate Resources Overview & Scrutiny Committee of Flintshire County Council held in the Delyn Committee Room, County Hall, Mold on Thursday, 14 June 2018

### **PRESENT: Councillor Clive Carver (Chairman)**

Councillors: Haydn Bateman, Bob Connah, Paul Cunningham, Patrick Heesom, Andrew Holgate, Dave Hughes, Paul Johnson, Richard Jones, Mike Lowe, Hilary McGuill, Michelle Perfect, Vicky Perfect, Andy Williams and Arnold Woolley

**APOLOGIES:** Councillor Aaron Shotton, Leader and Cabinet Member for Finance; Chief Executive; and Senior Manager, Human Resources & Organisational Development

**CONTRIBUTORS:** Councillor Bernie Attridge, Deputy Leader and Cabinet Member for Housing; Billy Mullin, Cabinet Member for Corporate Management and Assets; Chief Officer (Governance); Corporate Finance Manager; and Finance Manager, Strategy Accounting & Systems

**IN ATTENDANCE:** Democratic Services Manager and Democratic Services Officer

### **16. DECLARATIONS OF INTEREST**

None were received.

### **17. MINUTES**

The minutes of the meeting held on 17 May 2018 were submitted.

Minute number 3 - Councillor Heesom reiterated his request for a copy of the report on the Flintshire bridge and was told that this would be made available in due course. He also sought information on projects involved in the North Wales Growth Deal and was informed by the Chief Officer (Governance) that a summary of projects had been shared at the recent Member workshop. The formal proposal document would be made available to Members over the Summer and then submitted to full Council in September following approval by the Shadow Board.

### **RESOLVED:**

That the minutes be approved as a correct record and signed by the Chairman.

### **18. VARIATION IN ORDER OF BUSINESS**

The Chairman indicated that in line with the agreed practice, the Forward Work Programme (agenda item 7) would be brought forward. The remainder of the items would be considered in the order shown on the agenda.

## **19. FORWARD WORK PROGRAMME**

The Democratic Services Manager presented the current Forward Work Programme for consideration.

The Corporate Finance Manager advised that the Capital Out-turn report for 2017/18 would need to be added for the July meeting.

Due to the number of nature of items scheduled for the July meeting, it was agreed that an additional meeting may need to be arranged.

Councillor Jones asked that a separate report to highlight specific high-risk items within the budget be scheduled every other month. The Corporate Finance Manager explained that this was addressed as part of the Revenue Budget Monitoring reports. Councillor Attridge suggested that a specific section on all high-risk issues could be included in the monthly monitoring reports. The Democratic Services Manager pointed out that this would also benefit in highlighting those issues to Cabinet. This approach was agreed by the Committee.

### **RESOLVED:**

- (a) That the Forward Work Programme as submitted, be approved with the following amendment;
  - An item on Capital out-turn 2017/18 to be included for the July meeting.
- (b) That the Democratic Services Manager, in consultation with the Chair and Vice-Chair, be authorised to vary the Forward Work Programme between meetings, should this be necessary; and
- (c) That the monthly budget monitoring report should include a commentary section on high-risk items within the budget, so that progress on them are immediately drawn to the attention of the Cabinet and the Committee.

## **20. YEAR-END COUNCIL PLAN MONITORING REPORT 2017/18**

The Chief Officer (Governance) presented the 2017/18 year-end progress report on the Council Plan for 2017-23 providing analysis on areas relevant to the Committee.

Attention was drawn to the section on current levels of performance showing that 58% of performance indicators had been met or exceeded. As reported at the recent Member workshop, performance targets in last year's Plan which had not been achieved and were not carried forward into this year were being monitored by Chief Officers through agreed action plans. These would be included as part of performance reporting to the Committee and Cabinet.

Councillor Jones referred to the document on national public accountability measures (PAMs) which had been circulated at the workshop and highlighted a number of inconsistencies with the report, with some items missing from the

Council Plan and others where outcomes differed. He agreed to share his list of concerns with the Chief Officer so that these could be investigated.

He said that performance on Disabled Facilities Grants (DFGs) was self-induced and should be given a red risk rating rather than amber. Whilst acknowledging the explanations previously given on actions to improve the percentage of employee annual appraisals, he felt that this should also be given a red risk rating. On Green Council actions, he sought more information on 'public transport infrastructure and vehicle procurement in Deeside' for accessing employment, health, leisure and education.

The Chief Officer explained that PAMs were Welsh Government (WG) priorities and therefore not all were included amongst the Council's priorities within the Council Plan. Due to the challenges on DFGs, an increase in budget for 2018/19 had been agreed by the Council.

Councillor Heesom referred to discussion on the Internal Audit report on DFGs at the Audit Committee. Councillor Attridge provided information on the professional oversight board which had been established to progress the issues and indication given by the Chief Executive that a similar model would be adopted if significant issues were identified in any other service areas.

On tenants' debt levels, Councillor Jones asked what was being done to reduce rent arrears. Councillor Attridge gave assurance that an action plan was in place and that progress was being monitored following the Internal Audit report. He provided a brief overview of the update given to the Community & Enterprise Overview & Scrutiny Committee, reporting that a zero tolerance approach was being taken to resolve this long-standing issue.

In response to a query about the percentage of roads in overall poor condition, the Chief Officer pointed out that it was not necessarily wrong to lower targets as there were a number of factors to be considered. On use of the National Procurement Service, he provided explanation on plans to remove the target for next year to ensure that purchasing arrangements achieved value for money.

Councillor Heesom referred to the analysis of current risk levels for strategic risks in the Council Plan and accountability issues, raising concerns that the Council Plan would not deliver on much-needed areas such as those benefiting young people, the A548 and Mostyn Docks. In response to comments on the North Wales Growth Bid, Councillor Attridge and the Chief Officer explained the safeguards that were in place to involve Members on key decisions on the governance agreement, with the first stage due to be considered at the forthcoming Council meeting.

Councillor Mullin referred to the opinion of the Wales Audit Office that Flintshire was a high performing Council.

The significant upturn in the percentage of Council spend with Welsh and Flintshire businesses was welcomed by Councillor Johnson who suggested that these could be expanded to include spend arising from the North Wales Growth Bid.

In response to clarification sought by Councillor Woolley on the relevant Key Performance Indicators (KPIs) relating to the graphs in the report, the Chief Officer provided explanation on the structure of the Plan comprising 58 high-level activities underneath the eight priorities. On the 4% 'no data' on the KPI performance RAG status, the Chief Officer said that trend data was not applicable for all KPIs but would check this with officers.

In response to a question from the Chairman on the payment of contractor invoices, the Chief Officer advised that this was not included in the report as performance was within contractual terms.

Councillor Bateman was pleased to note that the target for number of visits to Theatr Clwyd had been exceeded. Councillor McGuill asked about liability for the car park which was in need of repair and was told that this was a Council asset to be addressed through the Capital Programme.

**RESOLVED:**

- (a) That the Committee notes and supports the overall positive performance;
- (b) That the areas of corporate and service under-performance against the Council Plan and the performance measures set for 2017 be noted;
- (c) That the Committee await the action plan to be published by Cabinet to address any areas of under-performance where they have a RAG status as Red or Amber, with a downturn performance trend; and
- (d) That Cabinet be informed that performance on rent arrears and appraisals should both be downgraded to Red risks.

**21. CAPITAL INVESTMENT IN COUNTY TOWNS: REPORTING MODEL**

The Corporate Finance Manager presented a report with information on planned investment in County towns, as requested by a Notice of Motion to County Council in December 2017. The report had been revised following discussion at the April meeting of the Committee.

Councillor Jones said that the Notice of Motion had sought information on both capital and revenue investment. The Corporate Finance Manager said that this would be picked up during his presentation. He explained that the information had been allocated to the seven areas of the County, based on the seven principal towns and their catchments, as approved by the Council for the Wellbeing Assessment undertaken in 2017. Details were shared on individual schemes and funding arrangements for each town centre catchment area. Information was given on significant themed capital programmes, with explanation on why it was not possible to include analysis of routine capital maintenance. The report also set out the approach to be taken for reporting on revenue schemes as part of the Revenue Budget Monitoring item.

Councillor Jones said that the purpose of the report was to provide evidence on equitable spend. Whilst he agreed with the way this had been

measured, he said that all aspects of the Notice of Motion (including highway and transport networks etc) as agreed by Council, should have been included. He gave examples of significant investment in highways infrastructure which could have been captured. The officers said that the report provided substantial detail on £41m of capital spend and that to report on the remaining £4m would have significant resource implications. They spoke about the challenges on incorporating highways investment whilst taking account of the criteria for grant funding and Council policies.

Councillor Attridge suggested that information could be shared on major grants such as significant investment through Safer Routes to Communities.

The Chairman commented on the definition of catchment areas and acknowledged the difficulties involved. The Chief Officer advised that areas were based on the Wellbeing Plan.

Following remarks by Councillor Johnson on expanding the remit of the report, the Chief Officer spoke about the limitations on resources to produce the information.

Councillor Heesom thanked officers for the report and Councillor Jones for his involvement on the matter, adding that the report had emerged into a format that would be helpful for future use.

**RESOLVED:**

That Members supported the reporting model as presented.

**22. WORKFORCE INFORMATION REPORT - QUARTER 4 2017/18**

The Chief Officer presented the workforce information report on the last quarter of 2017/18.

Amongst the key findings, he highlighted further improvement on employee attendance where the out-turn of 8.89 days per full-time employee had exceeded the target of 9 days. Pending verification of figures, this would rank Flintshire as the 5<sup>th</sup> best performer in Wales.

On the dashboard information, Councillor Woolley queried the calculations used to obtain the decrease in headcount and age profile for non-schools employees. The Chief Officer agreed to pursue this with colleagues from Human Resources.

**RESOLVED:**

That the Committee notes the Workforce Information Report for quarter four 2017/18 to 31 March 2018.

**23. LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985 - TO CONSIDER THE EXCLUSION OF THE PRESS AND PUBLIC**

**RESOLVED:**

That the press and public be excluded from the meeting as the following item was considered to be exempt by virtue of paragraph 14 of Part 4 of Schedule 12A of the Local Government Act 1972 (as amended).

**24. SHARED PROCUREMENT SERVICE**

The Chief Officer (Governance) presented a report to recommend that Cabinet enter into a further three year service level agreement with Denbighshire County Council for the delivery of procurement services.

Councillor Mullin commented on significant progress on the shared service arrangement whilst acknowledging that further improvements could be made.

Councillor McGuill spoke about the importance of identifying and supporting local service providers.

Following a suggestion by Councillor Woolley, the Committee agreed to receive quarterly reports on progress.

**RESOLVED:**

- (a) That, subject to the changes being made as described in points 2 and 3 in the report, the Committee recommends that Cabinet enter into a further 3 year service level agreement with Denbighshire County Council for the delivery of procurement services;
- (b) That the Committee notes the following changes to be made to the service delivery model:
  - (i) there is a need to promote collaborative procurement where it is appropriate and where it will deliver savings;
  - (ii) business partners, senior management teams and chief officers need to actively engage with each other in order to flag up forthcoming projects and big contracts to plan the procurement route and consider collaboration;
  - (iii) encourage the delivery of community benefits;
  - (iv) clear and hard targets for the efficiencies to be achieved through the procurement process must be set;
  - (v) the systems and paperwork are seen to be onerous and need to be reviewed to ensure that they are appropriate for internal purposes and do not become an unnecessary barrier to small firms bidding;

- (vi) there needs to be a review of experience following the procurement of major contracts;
  - (vii) chief officers need to be more involved in agreeing where to strike the balance between potential benefits and procurement process risks;
  - (viii) there is a need for performance reporting to Cabinet and Corporate Resources Overview & Scrutiny Committee on a quarterly basis.
- (c) That the Committee notes that the Chief Officer (Governance), in consultation with the Cabinet Member for Corporate Management and Assets will incorporate any changes suggested by the Audit Committee into the new service level agreement with Denbighshire County Council.

**25. MEMBERS OF THE PUBLIC AND PRESS IN ATTENDANCE**

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

(The meeting started at 10am and ended at 12.25pm)

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**Chairman**