

CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE
17 JANUARY 2019

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, 17 January 2019

PRESENT: Councillor Clive Carver (Chairman)

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

SUBSTITUTES: Councillors: Janet Axworthy (for Andrew Holgate) and Joe Johnson (for Dave Hughes)

ALSO PRESENT: Councillors Mike Peers and Carolyn Thomas attended as observers

APOLOGY: Councillor Billy Mullin, Cabinet Member for Corporate Management

CONTRIBUTORS: Councillor Aaron Shotton, Leader and Cabinet Member for Finance; Chief Executive; and Chief Officer (Governance)

Corporate Business & Communications Executive Officer - for minute numbers 79 and 81

Senior Manager, Human Resources and Organisational Development - for minute number 80

Corporate Finance Manager - for minute number 83

IN ATTENDANCE: Democratic Services Manager and Democratic Services Officer

The Chairman welcomed back Councillor Haydn Bateman following his recent illness.

74. DECLARATIONS OF INTEREST

None.

75. MINUTES

The minutes of the meeting held on 13 December 2018 were submitted.

RESOLVED:

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

76. ACTION TRACKING

The Democratic Services Manager presented the progress report on actions arising from previous meetings.

Councillor Jones referred to the outstanding action on costs for Out of County Placements which was a major risk shared by all Councils. As this had not been recognised in the Local Government Final Settlement for 2019/20 by Welsh Government (WG), he suggested that the Committee take action by writing to WG with support from other Councils.

The Chief Executive said that although no specific provision had been made, it was possible for variations to be allocated by WG at a later stage. He said that the Council and Local Government had made a strong evidenced case to WG on the matter over a period of time and that Members may wish to discuss the way forward collectively as part of the budget item at County Council on 29 January.

Councillor Shotton suggested that if the Committee wished to make such a case then an approach could be made to the Welsh Local Government Association (WLGA) as well as WG, to share intelligence collated across the Council. He suggested that this could make a more effective case perhaps involving the relevant Overview & Scrutiny Committees.

In preparation for the County Council meeting, the Chief Executive suggested that he approach the WLGA to seek support for the matter to be formally raised again with WG and for the item to be debated at the forthcoming WLGA Executive meeting. This action was proposed by Councillor Jones in addition to a letter from the Committee to highlight the concerns. On being put the vote, this was agreed.

Following comments by Councillor Heesom, Councillor Carolyn Thomas, Cabinet Member for Streetscene and Countryside - who was present in the public gallery - provided clarification on transport matters. The Chief Executive said that details on the A494-A55 'Red Route' scheme would be requested from WG to share with the Committee.

RESOLVED:

- (a) That the report be noted; and
- (b) That a letter to be sent to Welsh Government and WLGA to formally propose a new and specific national budget to meet the estimated additional costs of Out of County Placements across Wales.

77. FORWARD WORK PROGRAMME

The Democratic Services Manager presented the current Forward Work Programme for consideration. The following changes were agreed:

- Council Plan Quarter 3 report to be moved from March to February.
- Items to be scheduled on the Asset Register and Job Descriptions as requested by Councillor Woolley.

On the latter, the Chief Executive asked Councillor Woolley to clarify the reason for the two items following detailed information already shared.

On the Council Plan, Councillor Jones requested that the Committee receive a dashboard of measures to show performance across the Council at the March meeting. This matter would be discussed further under Agenda Item 9.

In response to comments from Councillor Heesom, the Chief Executive gave a brief overview of the Programme Boards set up to set and track financial efficiencies. As the meetings were informal, there were no published minutes although further information could be made available on request from specific Chief Officers.

RESOLVED:

- (a) That the Forward Work Programme, as amended, be approved; and
- (b) That the Democratic Services Manager, in consultation with the Committee Chairman, be authorised to vary the Forward Work Programme between meetings, as the need arises.

78. WHITE PAPER: REFORM OF FIRE AND RESCUE AUTHORITIES IN WALES

The Democratic Services Manager introduced a report to consider draft responses to the questions set out in the Welsh Government (WG) White Paper titled 'Reform of Fire and Rescue Authorities in Wales'. The Committee's views would be reported to County Council on 29 January to enable a formal response to be submitted by the consultation deadline of 5 February.

The Chief Executive and Chief Officer (Governance) explained that there was no evidence of the need to change within the White Paper and that the Council and Wales Audit Office were satisfied with current governance arrangements. They provided an overview of the suggested responses on the funding model, membership implications and the need for Fire and Rescue Authorities to become precepting rather than levying bodies.

The recommendations were proposed by Councillor Jones who said that if something was "not broken it should not be fixed". This was seconded by Councillor Woolley. It was agreed that the comment made by Councillor Jones would be reflected in the response.

RESOLVED:

That with the inclusion of view of the Committee that the current governance model works and is strong and therefore should not be altered, the responses to the questions in Appendix 2 of the report be endorsed to Council as the formal Flintshire response to the *Reform of Fire and Rescue Authorities in Wales* White Paper. The sole change required is in financing, so that Fire and Rescue Authorities become precepting, rather than levying bodies.

79. DIVERSITY AND EQUALITY POLICY

The Corporate Business & Communications Executive Officer presented the revised Diversity and Equality Policy for consideration and comment prior to

endorsement by Cabinet. The policy, originally approved in 2012, had been updated to reflect changes in legislation and working practices.

Although not a mandatory requirement, publication of the policy was considered good practice to demonstrate the Council's commitment to developing an inclusive workforce and high quality services which met people's needs. Attention was drawn to examples of work undertaken to comply with the policy and the various types of discrimination.

Following a request by Councillor Johnson, officers agreed to include reference to the Officers' Code of Conduct (in addition to the Members' Code of Conduct) within the policy. In response to comments about ongoing 'refresher' training for the workforce, senior officers and managers were exploring different ways of increasing completion rates on the e-learning modules.

RESOLVED:

- (a) That the updated Diversity and Equality Policy be supported for endorsement by Cabinet; and
- (b) That the actions being taken to improve completion rates of the equality e learning modules be supported.

80. ANNUAL REVIEW OF APPRAISALS

The Chief Executive introduced an update report with detailed completion levels of appraisals completed by services in addition to portfolios. The end of year position would be included within Council Plan reporting as a Key Performance Indicator (KPI).

The Senior Manager, Human Resources and Organisational Development advised that at the time of reporting, 91% of appraisals had been completed and scheduled across the Council. It had since been confirmed that a further 24 appraisals had been arranged in Streetscene & Transportation. In acknowledging the target of 100%, it was important to note the diversity of the workforce and routine practices of managing performance such as 1-2-1 and team meetings as well as the approach used in Social Services to conduct regular detailed recorded 'supervision' meetings. Assurance was given that work would continue with services and managers to monitor the completion and quality of appraisals.

The Chief Executive said that this was a positive report recognising that further improvements were needed to achieve the target. The focus on completing meaningful appraisals linked to a forthcoming Cabinet report on pay modelling and pay progression which was drawn to Members' attention.

Councillor Jones welcomed the progress made and the inclusion of headcount numbers for each portfolio to provide context. Of those not achieving 100%, he praised the improved outturn for Streetscene & Transportation and questioned other services with a lower headcount and no appraisals scheduled.

The Chief Executive said that all appraisals were expected to be completed by the end of the financial year, particularly those portfolios with more static office-based teams.

The Senior Manager advised that the figures for Community & Enterprise were expected to increase following a period of change. The improvements in Streetscene & Transportation were partly due to the development of a bespoke model which met the needs of that service. She reported on a review being undertaken of back-office systems to further strengthen monitoring arrangements.

Councillor Jones reminded colleagues of the previous decision to invite Chief Officers to explain the reasons for their areas not achieving the target. This was acknowledged by the Chief Executive who suggested that the Committee wait until the end of the financial year to see whether figures were at an acceptable level. He advised that the appraisal models for employees of Theatr Clwyd and services transferred to Alternative Delivery Models - not included in the figures - were working well.

In welcoming the progress made, Councillor Axworthy said that the completion of appraisals was a key responsibility for managers and that failure to do this should be escalated to a more senior level. The Chief Executive gave assurance that the importance of completing quality appraisals was understood and expected, as demonstrated by the decision to include this as a KPI in Council Plan reporting.

Councillor Jones highlighted the Committee's involvement in raising the importance of completing appraisals which was acknowledged.

The Chairman thanked the Chief Executive and the Senior Manager and her team for their work.

RESOLVED:

- (a) That the Committee notes the progress made against the target set for the completion of appraisals for portfolios and the Council as a whole; and
- (b) That the Chief Officers be thanked for their work in making the progress so far but reminded that Committee is monitoring the position closely and reserves the right to call to account those who fail to achieve 100% completion by year end.

81. FINANCE AND BUSINESS PLANNING CYCLE

The Corporate Business & Communications Executive Officer presented a report illustrating the financial and business planning cycle and providing details of the range of Key Performance Indicators (KPIs) available to Overview & Scrutiny Committees to draw upon for performance reporting. Both items had been requested by the Committee.

The Committee was provided with a diagrammatic model of the financial and business planning cycle depicting three specific elements - financial, delivery

and performance, and controls and external context. This was accompanied by a presentation to explain the development of the model and how it worked.

In thanking the officer and teams involved, Councillor Jones valued the level of detail and suggested more consistency in the use of headings. On timescales, he commented that the full set of portfolio plans and Council Plan should come first in order to inform the setting of Council Tax.

The Chief Executive spoke about the complex budget process and the need for business plans to be continuous, particularly to adapt to Government-led changes during the year - as reflected in the Chairman's written representations to Welsh Government (WG). He said that the development of the model, which would evolve over time, was useful in clarifying the process and timescales.

During discussion, the Executive Officer explained that portfolio plans contained benchmarking information and were therefore set after the Council Plan. Councillor Shotton referred to the Council Plan as a long-term strategy document.

Whilst recognising the complex process and hard work done by officers, Councillor Heesom expressed a view that there was no effective way of openly evaluating portfolio expenditure.

The Chief Officer (Governance) said that the points raised were accommodated within the three-stage budget process in which service expenditure levels supported by resilience statements were shared before considering all service proposals. The approach allowed time to focus on portfolio plans subject to any additional options which could be raised by Members at the County Council meeting later in the month.

In response to concerns from Councillor Heesom on financial management, the Chief Executive and Councillor Shotton gave an assurance that the Wales Audit Office resilience reports had reflected the Council's positive performance on efficiencies, cost-effectiveness and financial management. The potential significant increase in Council Tax would be a decision for Members taking account of the lack of alternative options.

Councillor Jones said that there were still opportunities for the Administration to identify a 'Plan B' to pull upon to bridge the remaining financial gap, to avoid a higher increase in Council Tax.

Councillor Shotton referred to the forthcoming budget discussion at County Council and the need to maintain pressure on WG for fairer funding to avoid the increased burden for Council Tax on Flintshire residents. After extensive discussions over recent months, the vast majority of Members had agreed that there were no other options remaining that were acceptable to the Council.

On the second part of the report, information on the KPIs across services was shared including some which were under development. The Chief Executive acknowledged Councillor Jones' points earlier in the meeting and suggested that the data could be collated for consideration at a workshop before the end of

March to enable Overview & Scrutiny Committees to decide which measures were of most value. This was agreed by the Committee.

RESOLVED:

- (a) That the creation of the Finance and Business Planning Cycle diagrammatic model be welcomed and supported; and
- (b) That a workshop be held before the end of March to consider how the Council and particularly the Overview & Scrutiny Committees might best use the performance information for organisational planning and monitoring.

82. MEMBER COMMUNICATIONS: REPORTED CASES AND COMPLAINTS

The Chief Executive presented a report which summarised the work undertaken in response to a Notice of Motion endorsed by County Council in September on managing communications with elected Members.

A detailed action plan was circulated which provided information on the review undertaken of reporting and response systems. Amongst the findings, it was noted that response times across most services were positive with most complaints generated from those with greater public engagement. The report recognised the varying nature of enquiries and services, along with the different experiences of customers and Members.

The Chief Executive repeated the request made at County Council that Members report any cases and Trade Union colleagues had requested that these be accompanied by evidence to enable focus on those specific areas. No referrals had been received since September. Officers and Trade Union Officials shared concern that Members were at risk of being over-critical of officer performance here.

The Chief Officer (Governance) spoke about the challenge in tracking communications with elected Members given the volume of correspondence with officers. The suggestion of a Member workshop would help in discussing how best to use the reporting systems.

The Chairman spoke about his own experience in seeking responses from officers which varied. Explanation was given on the facility to divert work numbers to another device and the sharing of work-issued mobile numbers.

The Chief Executive spoke about the detailed work which had been undertaken across all service areas, and the action plan which went beyond the Standards which had been issued. Members were encouraged to contact the Customer Services & Registration Manager (Rebecca Jones) with any one-off non-urgent examples so that these could be logged whilst regular reports of non-compliance by teams should be referred to the Chief Executive or Chief Officer (Governance).

During discussion, Members acknowledged that the Standards applied to all and recognised that there were areas of good practice where officers consistently responded well, as demonstrated by the statistics.

RESOLVED:

- (a) That the Action Plan be supported; and
- (b) That the Committee supports the proposal for a Member workshop to review how Members can work with the reporting systems that the Council operates to receive the best service and support.

83. 2018/19 REVENUE BUDGET MONITORING REPORT (MONTH 8)

The Corporate Finance Manager presented a report on the revenue budget monitoring position for the Council Fund and Housing Revenue Account (HRA) as at Month 8 prior to consideration by Cabinet on 18 December 2018. The report reflected the budget position at the close of the financial year if all things remained unchanged.

The Council Fund was broadly on target with an operating surplus of £0.026m which was a positive movement of £0.351m compared with the previous month. The main changes related to the Council's allocation of £0.611m one-off grant from the Welsh Government (WG) Support Sustainable Social Services funding during 2018/19 to be used for the purposes set out in paragraph 1.04. Increased costs in Streetscene & Transportation were due to the need for additional school transport.

On planned in-year efficiencies, 97% or £5.326m were projected to be achieved.

On teachers' pay, confirmation had been received on the 2018/19 funding contribution of £0.784m to be passported in full to schools once received. Whilst this broadly covered the increased costs for 2018/19, the Final Settlement did not change the previous position which allowed the Council to provide a 1% uplift in the base funding of schools, meaning that schools would need to share the impact of costs for 2019/20.

The projected year-end balance on Contingency Reserves was £7.689m, however after using £1.900m to close the budget gap as agreed as part of Stage 1 budget solutions, the total available balance would be £5.789m.

On the HRA, a projected underspend of £0.067m would leave a closing balance of £1.165m, which was 3.4% of total spend.

Councillor Jones referred to the projected overspend on Out of County Placements which would have increased further without the allocation of WG grant funding. In response to queries, clarification was given on the strict criteria which applied to the grant funding and the need to show alignment to those priorities.

Councillor Heesom asked about the size and capacity of unearmarked reserves and whether they could be used towards the budget gap if they were not needed. In response, attention was drawn to the latest report to Cabinet detailing the current position on unearmarked reserves and the opinion of the Corporate Finance Manager, as the statutory S151 Officer, on their use.

RESOLVED:

That the Committee supports the recommendations made in the Cabinet report for 22 January on the Revenue Budget Monitoring 2018/19 (Month 8) and confirms that there are no concerns which it wishes to have raised at Cabinet this month.

84. MEMBERS OF THE PUBLIC AND PRESS IN ATTENDANCE

There was one member of the press in attendance.

(The meeting started at 10am and ended at 12.35pm)

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Chairman