

CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE
9 MARCH 2023

Minutes of the Corporate Resources Overview & Scrutiny Committee of Flintshire County Council held as a remote meeting on Thursday, 9 March 2023

PRESENT: Councillor Richard Jones (Chairman)

Councillors: Bill Crease, Chris Dolphin, Alasdair Ibbotson, Gina Maddison, Allan Marshall, Vicky Perfect, Kevin Rush, Jason Shallcross, Sam Swash and Linda Thomas

SUBSTITUTE: Councillor: Ian Hodge (for Bernie Attridge)

ALSO PRESENT: Councillors Helen Brown and Chrissy Gee attended as observers

CONTRIBUTORS: Councillor Ian Roberts (Leader and Cabinet Member for Education, Welsh Language, Culture and Leisure), Councillor Paul Johnson (Cabinet Member for Finance, Inclusion & Resilient Communities), Councillor Billy Mullin (Cabinet Member for Governance and Corporate Services), Councillor Dave Hughes (Deputy Leader and Cabinet Member for Streetscene and the Regional Transport Strategy), Chief Executive, Chief Officer (Governance), Corporate Finance Manager and Revenues & Procurement Manager

For minute number 87

Lee Evans, Procurement Team Leader, Denbighshire County Council

IN ATTENDANCE: Democratic Services Manager and team

81. OPENING COMMENTS

Prior to the meeting, the Chief Executive provided an update on the alert status of current weather conditions and the impact on schools and Council services. The situation would be closely monitored and communications posted on the Council's website and shared with elected Members.

82. DECLARATIONS OF INTEREST

None.

83. MINUTES

The minutes of the meeting held on 9 February 2023 were approved, as moved and seconded by the Chairman and Councillor Vicky Perfect.

A response to the Chairman's question on the Revenue Budget Monitoring report had been circulated following the February meeting.

RESOLVED:

That the minutes be approved as a correct record.

84. ACTION TRACKING

The Democratic Services Manager presented an update on actions arising from previous meetings.

The recommendation was moved and seconded by Councillors Jason Shallcross and Kevin Rush.

RESOLVED:

That the Committee notes the progress which has been made.

85. FORWARD WORK PROGRAMME

The Democratic Services Manager presented the current forward work programme for consideration, which had been reviewed to include all elements of the Committee's Terms of Reference.

The Chairman requested that the items under 'Crime and Disorder' and 'Strategic and Partnership Working' be scheduled together where possible.

Councillor Alasdair Ibbotson asked why the report on discretionary powers for discounted Council Tax had again been deferred, as he had requested this some time ago.

As the responsible officer, the Revenues & Procurement Manager explained the various work demands on his service and advised that a detailed report on the subject would be shared in July.

The Democratic Services Manager acknowledged that where Members had put forward suggested items, they should be kept informed of movements.

The recommendations were moved by Councillor Bill Crease and seconded by Councillor Jason Shallcross.

RESOLVED:

- (a) That the Forward Work Programme, as amended, be noted; 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.

86. CORPORATE SELF-ASSESSMENT 2021-22

The Chief Executive presented a report on the findings and improvement plan following completion of the Council's first Corporate Self-Assessment 2021/22. The report set out the three-stage approach which focussed on eight key themes. The findings identified that the Council exercised its functions effectively, used resources efficiently and that effective governance was in place, with partnership working scored as 'very best practice'.

The Chief Officer (Governance) provided information on actions being taken in response to three questions identified as having evidence but in need of further action. The actions set out in section 6 of the document would be achieved over the short term to deliver real benefits.

Councillor Bill Crease raised concerns about the lack of Member involvement in the process to independently scrutinise actions.

The point was acknowledged by the Chief Executive who said that Member feedback would form part of the process in future. This was the Council's first self-assessment which had been independently reviewed and challenged by the Internal Audit team. Sharing the report with this Committee provided an opportunity for feedback prior to consideration by the Governance & Audit Committee and then onto Cabinet.

The Chairman suggested that stage two of the process could be undertaken jointly by Members and officers.

The Chief Officer (Governance) explained the requirement for a corporate peer assessment to be undertaken every five years in conjunction with other authorities. He advised that although the duty on the self-assessment came into effect from April 2022, the report included arrangements for 2021/22 as a pilot. In agreeing with the points made about Member consultation, he said that similar arrangements could be put in place to those already incorporated in the process for developing the Annual Governance Statement.

On the recommendations in the report, Councillor Allan Marshall questioned whether it was more appropriate for the Committee to accept rather than approve. The Chief Executive and Chair were in agreement as it was for Cabinet to approve.

Following further comments by Councillor Crease on the role of Members, the Chief Executive provided clarification on the reporting process.

The Chairman made the following comments:

- Resource Planning and Management: Question B8 - the last column should include the Asset Strategy in the list of named strategies.
- Questions B9, 10 and 11 - the last column should be reviewed to clarify how the aims were achieved.
- Innovation and Change Management: Question E21 - disagreed with comments in the last column as most of the milestones were at the end of the year.
- Customer and Community Engagement - public engagement should be given more consideration to identify improvements, for example communicating better with the public on waste/recycling issues.

Councillor Ian Roberts thanked Members for their comments which would be reported to the Governance & Audit Committee and Cabinet. He supported the suggestion for Member involvement in an earlier stage of the process.

The recommendations, as amended, were moved and seconded by Councillors Allan Marshall and Bill Crease.

RESOLVED:

- (a) That the findings of the Corporate Self-Assessment 2021/22 be noted and accepted; and
- (b) That the opportunities for improvement identified in the Corporate Self-Assessment 2021/22 be noted and accepted.

87. JOINT CORPORATE PROCUREMENT UNIT - ANNUAL REPORT FOR 2021/22

The Chief Officer (Governance) introduced the annual report of the Joint Procurement Service with Denbighshire County Council on its regulated procurement activities during 2021/22. An update was also given on the benefits of the 'FastTrack' early payment option for suppliers and the 'Free Pay' initiative which benefitted eligible small businesses and suppliers.

The Revenues & Procurement Manager provided background on the role of the service and key areas of the report. The overview of activities during 2021/22 reflected progress with the rollout of FastTrack and the number of contracts awarded, which included an increasing number incorporating social value benefits. On key performance indicators, whilst the number of procurements awarded collaboratively was identified as an area for further improvement, it was noted that no legal challenges had been made by unsuccessful service providers which was a significant achievement. The report highlighted challenges to the service such as public sector procurement resources and future legislative changes including decarbonisation.

Councillor Alasdair Ibbotson welcomed focus on carbon reduction linked to procurement spend and the ambition to build upon opportunities to embed social value into procurement activities to make a real difference to communities.

His comments were welcomed by Councillor Paul Johnson who paid tribute to the commitment of the Social Value team.

In response to a question from Councillor Allan Marshall, the Chief Officer (Governance) provided clarification on FastTrack eligibility criteria.

Councillor Sam Swash raised concerns about the rationale for the decision taken to increase the threshold for goods and services set out in paragraph 1.05. On that basis, he proposed that the Committee note rather than endorse the annual report and that a recommendation be added to request that the Constitution & Democratic Services Committee revisit its decision.

The Chief Officer (Governance) advised that the decisions of the Constitution & Democratic Services Committee were not within the remit of this Committee.

The Chairman spoke in support of the points raised by Councillor Swash which he said should be referred to Cabinet. On the performance statistics, he voiced concerns that on CPS3 and CPS4, only half of the contracts had delivered the anticipated savings. On the annual report, he sought more information on reference to some contract variations being due to poor contract management which was devolved to service areas. He also questioned the benefits for Flintshire given its level of contributions to the collaborative service.

The Committee was introduced to Lee Evans, Procurement Team Leader of Denbighshire County Council, who explained that a significant degree of work was involved in the procurement process, regardless of the value of those contracts. On performance, only a few procurement contracts could be best delivered collaboratively as many were for specific works within Denbighshire or Flintshire, for example schools, or due to some council services having different ways of working. Where collaborative procurement could not be progressed, information was shared with Chief Officers. The delivery of anticipated savings was mainly impacted by rising inflation costs and service areas providing incorrect estimates.

On the latter, the Revenues & Procurement Manager said that CPS3 was a complex area due to the need for services to provide a best estimate of the contract outcome based on market conditions at the time. On the split in contributions, he advised that although there had been variations in different years, an amicable agreement had been reached over a set period.

In response to the comments made by Councillor Swash, the Chairman proposed an amendment in the recommendations so that the Committee note the annual report. He was seconded by Councillor Bill Crease. The amendment was put to the vote and carried.

RESOLVED:

- (a) That the Procurement Annual Report for 2021/22 be noted; and
- (b) That progress with the FastTrack and Free Pay initiatives be noted.

88. REVENUE BUDGET MONITORING 2022/23 (MONTH 10)

The Corporate Finance Manager presented the 2022/23 month 10 position for the revenue budget monitoring for the Council Fund and Housing Revenue Account (HRA) and the Capital Programme, prior to consideration by Cabinet.

On the Council Fund, the projected year-end position - without new actions to reduce cost pressures and/or improve the financial return on efficiency planning and cost control - was an operating surplus of £0.693m (excluding the impact of the pay award met by reserves). This would leave a contingency reserve balance of £7.024m at year-end. There were three main areas of overspend within Social Services, Out of County Placements and Streetscene &

Transportation although these were offset by underspends across other portfolios, including Central and Corporate Finance.

The tracking of in-year risks reported the current position with Council Tax collection levels and pay awards, with no significant changes reported on other tracked risks. An update on unearmarked reserves reported the current balance on the Covid-19 Emergency Reserve was £3.632m. It was also reported that following approval of the Local Development Plan, £0.127m of earmarked reserves would be released to increase the projected contingency reserve to £7.151m.

On the HRA, net in-year revenue expenditure was forecast to be £3.101m higher than budget and would leave a closing un-earmarked balance of £3.373m, which was above the recommended guidelines on spend.

The Chairman highlighted the increasing costs for Out of County Placements and asked for more explanation to be included in future reports to explain movements in approved budgets, for example the reduction in Central & Corporate Finance. This was noted by the Corporate Finance Manager who explained that pay provision was held centrally before distributing across portfolios.

Following comments from Councillor Paul Johnson on the work involved in producing the report, the Chairman spoke about the role of this Committee in working with officers to challenge and improve the content of these reports.

The recommendation was moved and seconded by Councillors Bill Crease and Jason Shallcross.

RESOLVED:

That having considered the Revenue Budget Monitoring 2022/23 (month 10) report, the Committee confirms that there are no specific issues to be raised with Cabinet.

89. MEMBERS OF THE PRESS IN ATTENDANCE

None.

(The meeting started at 10am and ended at 11.45am)

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Chairman