

CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE
13 DECEMBER 2012

Minutes of the meeting of the Corporate Resources Overview and Scrutiny Committee of the Flintshire County Council held at County Hall, Mold on Thursday 13 December 2012

PRESENT: Councillor R.B. Jones (Chairman)

Councillors: G.H. Bateman, M. Bateman, C.S. Carver, R.G. Hampson, M. Lowe, P. Shotton, I. Smith, N.R. Steele-Mortimer and A. Woolley

SUBSTITUTIONS:

Councillor C.A. Thomas for Councillor P.G. Heesom, Councillor J. Johnson for Councillor I.A. Dunbar and Councillor D. Mackie for Councillor R. Lloyd.

APOLOGIES:

Councillor P. Curtis and Cabinet Member for Corporate Services

CONTRIBUTORS:

Chief Executive, The Leader of the Council, Head of Finance, Head of Human Resources and Organisational Development, Head of ICT and Customer Services, Head of Legal and Democratic Services, Corporate Finance Manager

IN ATTENDANCE:

Member Engagement Manager and Committee Officer

48. DECLARATIONS OF INTEREST

No declarations of interest were made.

49. MINUTES

The minutes of the meeting of the Committee held on 19 November 2012 had been circulated to Members with the agenda.

Matters Arising

The Chairman referred to page 5 of the minutes and variances and said that he had met with the Corporate Finance Manager to discuss how variances could be made more easily identifiable. A further meeting would take place between the Chairman, Councillor C.S. Carver and the Corporate Finance Manager.

Councillor C. A. Thomas referred to page 5 and said that she had not received a response from the Corporate Finance Manager on the under spend in the School Improvement Service and the variance under Agricultural Estates Service. The Corporate Finance Manager said that he had sent information to Councillor Thomas the previous week via email. Councillor C. A. Thomas said that the auto forwarding facility on her Flintshire email

address was no longer in operation. She asked if this service could be reinstated. The Chief Executive said that a personal email address could be used instead of the Flintshire address, but in doing so, responsibility for security of emails would rest with the councillor.

The Chairman referred to page 8 and said that variances in Social Services budget monitoring reports should be added to the Forward Work Programme.

RESOLVED:

- (a) That the minutes be approved as a correct record and signed by the Chairman; and
- (b) That the Member Engagement Manager place Variances in Social Services budget monitoring reports on the Forward Work Programme.

50. REVENUE BUDGET MONITORING 2012/13 (MONTH 6) AND CAPITAL PROGRAMME 2012/13 (QUARTER 2)

The Corporate Finance Manager introduced a report on the Revenue Budget Monitoring 2012/13 (Month 6) which was due to be considered by Cabinet on 18 December.

The latest forecast projected an in-year overspend of £0.714 million on the Council Fund and a projected net under spend of £0.349 million on the Housing Revenue Account.

For Council Fund there was an improvement on the month 5 position of £0.269m which mainly related to a reduced overspend of £0.078m within Corporate Services and an increased under spend of £0.191 m within Central and Corporate. The reasons for all variances over month 5 were included in Appendix 1 of the report.

The Corporate Finance Manager highlighted the risks and assumptions in relation to the projection and also the non standard inflation held in respect of Energy for Street Lighting, Energy, Fuel and Food. To date only the allocations for fuel of £0.196m and food for £0.133m had been allocated to service areas. The allocations for energy continue to be held centrally although latest forecasts suggest that the allocations will be required in full.

The current projected level of contingency reserve at the end of March 2013 was an overdrawn amount of £0.083 million.

The Housing Revenue Account (HRA) latest projection was an under spend of £349,000 which would mean a closing balance at the end of the financial year of £1.419m, which at 5.2% of total expenditure satisfied the minimum level of 3%.

Councillor D. Mackie said that the way the appendices had been printed made them difficult to read. The Head of Finance said that she would speak to Committee Services to see if this matter could be rectified.

Councillor R.G. Hampson asked whether the £349,000 under spend on the HRA could be used to increase spend on improving the council housing stock. The Chief Executive confirmed that all efficiencies were reinvested in property repair and maintenance and that a number of targets e.g. bathroom replacement were being exceeded as a result.

Councillor G. H. Bateman asked about the budget pressure of £25,000 that had been caused by the relocation of Leisure Services staff to Deeside Leisure Centre. The Chief Executive said that this represented the office space left behind at County Hall, and the costs associated with loss of rental and ongoing utility costs as an accounting exercise for property costs.

Councillor P. Shotton asked about the grant settlement for Flintshire from the Welsh Government and how the welfare reforms would affect this. The Head of Finance said that there were budget pressures in 2012-13 which related to increased staffing in benefits section, costs of systems and that these would run into 2013-14. A total of £8.8m of Council Tax Benefit support funding had been awarded to Flintshire, but the impact of the policy change had not yet been fully investigated. The Chief Executive said that the public had to be consulted about the changes and that members would be made aware of the consultations. He said that the £8.8m funding appeared to be adequate for current caseload, but would confirm this the following week. The Head of Finance said that it had been suggested that persons previously in receipt of Council Tax Benefit would now be required to pay 10% of their bill. This would be confirmed the following week.

Councillor R. G. Hampson said that persons on the basic state pension may have problems in finding the 10% council tax contribution in 2013/14. The Head of Finance said that the Pensioner Grant Scheme would be available to persons on the lowest incomes and could potentially offer a rebate of up to £24 on the council tax bill.

Councillor C.S. Carver asked if the Lifelong Learning Overview and Scrutiny Committee could examine the budget pressure of £564,000 in Leisure Services. The Chief Executive said that this was partly due to historic over spend and capital repayments to Alliance Leisure for improvement works. He reported that the trading figures were actual and not projected income and that in some areas, income was up 25%.

The Chairman asked about the insurance risk highlighted on page 15 of the report. The Corporate Finance Manager said that this was a risk that had only recently been notified to the Council and related to the triggering of a Scheme of Arrangement by the former Municipal Mutual Insurance Company (MMI). A trigger event occurred when the Directors gave written notice to the scheme that there was no reasonable prospect that MMI would avoid going into insolvent liquidation. This then allowed a potential levy to be applied to

the scheme creditors. The Chief Executive said that members would be briefed once more details became available, and that the cost was likely to be a six figure sum. The situation was not unique to Flintshire; many other Local Authorities were affected by MMI's insolvency.

Councillor M. Bateman asked if Flintshire was vulnerable in the event of any new claims of abuse. The Chief Executive said that all known abuse claims against the former Clwyd County Council had been processed and that there was no new evidence of further claims. The Head of Finance explained MMI had got into financial difficulties as a result of several high level court cases which involved historic asbestos claims. The Leader of the Council said that it was a financial risk, and that it would be helpful if the council could be made aware of whether the demand will arise in 2012-13 or 2013-14. The Head of Finance said that it was possible that provision would need to be made in the current years' accounts and that Flintshire would need to discuss with the other successor Local Authorities, the liability faced by Clwyd County Council so that the financial burden could be shared accordingly.

The Chairman asked why variances of over £25,000 in Community Services in re-ablement and locality teams had not been explained on the summary on page 19. The Corporate Finance Manager agreed with the Chair and said that items over £25,000 should be reported. He said that these two items would be reported back to committee.

The Chairman asked why a net position of zero for Central and Corporate was included on page 20 of the report. The Corporate Finance Manager said that this should not have been on the report and that would not appear in future reports.

The Chairman asked if more explanation be provided on page 38 of the report in relation to the £240,000 central budget movement and the Corporate Finance Manager responded to this.

The Chairman asked if the under spend in the HRA could stay within Housing. The Leader of the Council said that it was planned to reallocate the money within housing and that further information would be available at the next Housing Overview and Scrutiny Committee.

The Chairman asked about the reduction in 2012-13 unsupported borrowing of £1.079 million for new school premises on page 58. The Corporate Finance Manager said that he would provide further information at the next meeting.

Councillor M. Bateman asked if central government had allocated any additional funds to the Welsh Government for Capital Funding. The Chief Executive said that £200+ million had been allocated to Wales and Welsh Government decisions were awaited on its use. Councillor D. Mackie asked if there were any projects waiting for funding. The Leader of the Council said that there was a big funding gap concerning capital projects, and any additional funding could be allocated quickly.

Councillor C.A. Thomas asked if the Chancellor's announcement would impact upon current school match funding arrangements and the modernisation plans for 3 areas. The Chief Executive said that it was unlikely the 50-50 national-local funding agreement for 21st Century schools would be changed as a result of the extra funding announcement. It was agreed that capital, schools modernisation and section 106 money be referred to the Lifelong Learning Overview and Scrutiny Committee for consideration as a forward work plan item.

Councillor G. H. Bateman asked if the under spend on the Heating Programme would affect individual member's wards in the light of the Sean O'Donnell letter. It was agreed that Housing Overview and Scrutiny look at this issue.

Councillor M. Bateman asked why route treatment and traffic calming projects had been delayed. The Chief Executive said that he would provide information about the schemes.

RESOLVED:

- (a) That the report is received;
- (b) That the printing format of the appendices be reviewed;
- (c) That information about variances of over £25,000 should be reported; and
- (d) That a net position of zero be removed from future reports.

51. QUARTER 2 SERVICE PERFORMANCE REPORTS

Finance

The Head of Finance presented the Quarter 2 Service Performance Report from Finance which covered the period 1 July 2012 to 30 September 2012.

An update regarding the final settlement for Flintshire County Council would be given to cabinet the following week. The medium term financial strategy 2013-14 would be discussed in January 2013. A team from Finance had been working on Single Status with Human Resources. The Revenues and Benefits team were awarded IWRB improved team of the year. The Revenues team had successfully piloted agile working in their department and it would now be offered to Benefits in quarter 3. Finance staff had been working with Flintshire Futures on corporate investment, corporate debt policy and fees and charges. The Finance Review was near completion with the new structure to be in place from 7 January 2013.

The Head of Finance summarised the performance indicator results for quarter 2. The quarter outturn for Performance Indicator CFH/006,

Percentage of undisputed invoices paid on time (30 days) was 78.8% which fell short of the quarter target of 95%. This was partly attributed to a temporary technical problem with invoice payment system.

Councillor C.S. Carver said that every councillor had been sent an invoice for photocopying, and was surprised at the amount of copies used. The Member Engagement Manager said that he would investigate the photocopying costs for Democratic Services. Councillor N. R. Steele Mortimer said that 100% of undisputed invoices should be paid within 30 days. The Chief Executive agreed that a target of 100% should be the aspiration

Human Resources and Organisational Development

The Head of Human Resources and Organisational Development presented the Quarter 2 Service Performance Report from Human Resources and Organisational Development which covered the period 1 July 2012 to 30 September 2012.

An update was given on ongoing projects undertaken by the department such as Single Status which now had a new timetable for implementation which was likely to be June 2013. It was envisaged that equal pay claims would be settled after the implementation of single status towards the end of 2013. A review of policies, including agile working policies was now underway. Phase 2 of I-Trent Manager Self Service was now complete. The Head of Human Resources and Organisational Development explained that the Occupational Health Partnership Agreement with Wrexham County Borough Council was continuing to operate “successfully”. She said that the aim was to offer Occupational Health services to other Councils and/or organisations and operate more as a semi-commercial Unit in the future.

The Head of Human Resources and Organisational Development said that performance indicator CHR/002 – The number of working days/shifts per full time equivalent (FTE) local authority employee lost due to sickness absence for quarter 2 was 2.3 days. The target for quarter 2 had been 2.00 days.

Councillor C.S. Carver thanked the Head of Human Resources and Organisational Development for the report. He asked about the categories used to define reasons for sickness absence and asked what the option “other” would include. The Head of Human Resources and Organisational Development said that 50% of absences could not be explained by the listed categories used. It would be known to the manager the reason for absence, but if “other” was ticked on the sickness records, Human Resources would not be able to see the exact cause. She said that Human Resources could look at new categories to avoid the use of “other” and that for quarter 3, reports about short and long term absences would be available.

Councillor M. Bateman asked who was responsible for completing return to work interview forms. The Head of Human Resources and

Organisational Development said that the form was jointly completed by the manager and the staff member.

Councillor P. Shotton asked when the trade union ballot regarding single status would be conducted. The Head of Human Resources and Organisational Development said that the ballot was likely to be held in April 2013. Councillor Shotton asked about the progress of the Physiotherapy pilot project. The Head of Human Resources and Organisational Development said that a report would be available towards April/May 2013.

ICT and Customer Services

The Head of ICT and Customer Services presented the Quarter 2 Service Performance Report which covered the period 1 July 2012 to 30 September 2012.

There had been an improvement in Performance Indicator ICTM 1, Help desk calls fixed on time which was 92% in quarter 2 compared to 88.33% in the previous quarter. The annual was 94%. Additional resources had now been provided for the Help Desk. Flintshire was now the host for Capita One schools management system on behalf of the 6 North Wales authorities. A new deal had been negotiated for software which had reduced the costs of licences. Building Control now used mobile devices which allowed them to view documents on site. The ICT service review had been delayed due to capacity issues. A new structure will be proposed in the New Year and details brought to Overview and Scrutiny. With regards to Customer Services, the time taken to respond to complaints had improved, but had not reached the target of 80%. Flintshire Connects in Holywell had now opened and had been well received. Options were now being considered for centres initially in Flint and Connah's Quay, with Buckley, Mold and Saltney later, possibly with partner agencies. The new e-procurement system had been rolled out in Corporate Services and was now due to be rolled out in Environment.

Councillor P. Shotton asked if Flintshire and North Wales companies were used as widely as possible in terms of procurement. The Head of ICT and Customer Service said that the council was constrained by OJEU process but would seek to support local providers. Following a proposal by the Chair, it was agreed that an item be included on the Forward Work Programme in March for a fuller debate on this matter.

Councillor M. Bateman asked if councillors in Flintshire would be provided with tablets to replace hard copy committee papers. The Head of ICT and Customer Services said that he had prepared a business case for tablets for discussion with the Leadership with demonstrable savings. Councillor Bateman said that further savings could be identified by the use of electronic handbooks, diaries and A-Z.

Councillor C. S. Carver asked if the Member ICT Working Group would be retained. The Head of ICT and Customer Services said that following a review of working groups that it had been decided to retain this group.

Councillor R. G. Hampson asked if technical difficulties with PDA systems for Housing Staff had been resolved. The Head of ICT and Customer Services said that dialogue was ongoing between the hardware supplier, software supplier and the council.

Councillor D. Mackie said that the implementation of tablets for members would require dedicated IT back up. The Head of ICT and Customer Services said that the business case stated the need for a full time member of staff to support members for a period of 12-18 months.

Legal and Democratic Services

The Head of Legal and Democratic Services presented the Quarter 2 Service Performance Report and gave an update on highlights for the quarter which included the approval of the Annual Governance Statement by the Audit Committee subject to minor amendments.

Revision to Guidance on the Code of Conduct had been issued by the Ombudsman following the "Calver" decision. The Adjudication Panel for Wales hearing in respect of Councillor Heesom would now consider its findings of fact and report back in the new year. A number of training sessions for Town and Community Councillors had been held.

In Legal Services, there had been an increase in child protection cases. The council was in discussion with other North Wales councils to see if a lawyer could be jointly employed in order to reduce the use of Counsel. Interviews for the Legal Services Collaborative Project Manager would be held on 19 December.

The Police and Crime Commissioner Elections had a low turnout. Flintshire took on the role of coordinating all the North Wales results and good feedback was received about the electoral services team. Guidance around R.I.P.A legislation had changed and the council must now refer applications to a magistrate.

The Head of Legal and Democratic Services said that Data Protection continued to have red status under the Strategic Assessment of Risks and Challenges (SARC) which was due to the fact that the council held a lot of personal information and that the financial penalties for loss were substantial. The ICO would inspect Data Protection processes at the council in early 2013. A list of posts within the council that required mandatory Data Protection training has been documented and Data Protection training had been ongoing.

Councillor P. Shotton expressed his thanks to all the staff involved with the Police and Crime Commissioner Elections and to civic services staff involved with the Flintshire Olympic civic receptions.

Councillor J. Johnson asked about procedures in relation to dog fouling fines. The Head of Legal and Democratic Services said that the council issued fines notices and were entitled to prosecute for any non payment of fines. The Head of Legal and Democratic Services said that he would forward more detailed information to Councillor Johnson.

Councillor I. Smith asked if member training could be conducted in the evenings for working members, but this suggestion was not supported by the rest of the committee members.

The Chairman asked why Data Protection remained at red status on the SARC if controls were in place. The Head of Legal and Democratic Services said given the sensitive nature of the data handled by the council any accidental loss could be significant and the numbers of staff involved meant that there was scope for an error to be made. Red status would therefore be normal for this area. Officers would reassess the risk in light of the findings of an inspection to be undertaken by the Information Commissioners Office around March 2013.

RESOLVED:

- (a) That the reports be received;
- (b) That copier invoice errors be pursued;
- (c) That 100% of undisputed invoices should be paid in 30 days;
- (d) That Human Resources explore new categories to avoid the use of "other" and that for quarter 3, reports about short and long term absences would be available;
- (e) That a report on the progress of the Physiotherapy project be submitted to committee in April 2013;
- (f) That it be recommended that the business case for tablets include savings associated with electronic handbooks, diaries and A-Z; and
- (g) That Councillor J. Johnson be provided with further information about dog fouling enforcement.

52. FORWARD WORK PROGRAMME

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

The next meeting was to be held on 17 January 2013 and no changes had been identified for the programme for the meeting.

It was agreed that a Flintshire Futures Work Force programme report by Flintshire Futures be submitted to committee by the Head of Human Resources and Organisational Development for the 14 February 2013 meeting.

It was agreed that a Procurement Report by the Head of ICT and Customer Service be submitted to the committee for the 14 March 2013 meeting.

It was agreed that a progress report about the Physiotherapy Service by the Head of Human Resources and Organisational Development be submitted to the committee for the 18 April 2013 meeting or thereafter.

The Member Engagement Manager asked if the committee wished to set up a Task and Finish Group to look at variances, with Social Services being the first focus as suggested by the Chief Executive at the November meeting. This was agreed by the committee and members nominated to serve on this group were Councillors R. Jones, M. Bateman. G. H. Bateman, P. Shotton and I. A. Dunbar.

RESOLVED:

That the Forward Work Programme be amended to reflect the above suggestions.

53. DURATION OF MEETING

The meeting commenced at 10 a.m. and ended at 1.00 p.m.

54. MEMBERS OF THE PUBLIC AND PRESS IN ATTENDANCE

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

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Chairman