

**CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE**  
**14 JULY 2016**

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 July 2016

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

Councillors: Marion Bateman, Paul Cunningham, Peter Curtis, Richard Jones, Vicky Perfect, Paul Shotton, Ian Smith and Arnold Woolley

**SUBSTITUTE:** Councillor Sara Parker (for Robin Guest)

**APOLOGIES:** Councillor Aaron Shotton, Leader of the Council & Cabinet Member for Finance and Councillors Ray Hughes, Brian Lloyd and Nigel Steele-Mortimer

**CONTRIBUTORS:** Councillor Billy Mullin, Cabinet Member for Corporate Management; Chief Executive; Chief Officer (Governance) and Corporate Finance Manager

Senior Manager, Human Resources & Organisational Development (HR & OD) - minute number 29

**IN ATTENDANCE:** Member Engagement Manager and Committee Officer

**23. DECLARATIONS OF INTEREST (INCLUDING WHIPPING DECLARATIONS)**

During discussion on Agenda Item 7 'Revenue Budget Monitoring 2016/17 (Month 2)', Councillor Richard Jones declared a personal and prejudicial interest and explained that he had been granted dispensation to speak on matters relating to the Car Parking Strategy.

**24. MINUTES**

The minutes of the meeting of the Committee held on 16 June 2016 had been circulated with the agenda.

**RESOLVED:**

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

**25. PERFORMANCE REPORT 2015/16**

The Chief Executive introduced a report analysing the Council's progress towards the national indicators set by the Welsh Government (WG) during 2015/16. The information included trend analysis for indicators relevant to the Committee together with an overall view across the organisation. The Annual Performance Report would be submitted for approval to Cabinet and County Council in September when the Council's comparative performance position in Wales would be known.

As a point of accuracy on the outcomes of internal analysis within the Cabinet report, Councillor Richard Jones pointed out that four indicators had remained the same. He felt that the overall position on trends was disappointing and suggested that the downturn in the percentage of pupils aged 15 achieving the Level 2 threshold (ref EDU/017) be referred to Education. In acknowledging the positive trend in the delivery of Disabled Facilities Grants, he pointed out that this remained below the target and suggested that the matter be referred to the Overview & Scrutiny Committee.

The Chief Executive advised that a correction would be made in respect of the initial query. Whilst he felt that some targets could be viewed as over-ambitious and not always achievable due to a variety of factors, he supported the approach to refer matters of concern to the relevant committee. On the indicator for education, examination results at GCSE level had been disappointing. The accuracy of past pupil tracking across the region, underpinning predictive examination results at both GCSE and A Level, was under review by GwE. The local tracking processes in schools were more rigorous and the predictive grades for 2016/17, if achieved, would raise local attainment rates. Disabled Facilities Grants involved a range of factors and had been subject to detailed scrutiny; progress had been made over time although the Council was still not achieving its longer term targets. The concerns raised would be referred to the Community and Enterprise Overview & Scrutiny Committee with the response shared with the Committee.

In referring to sections of the report, Councillor Arnold Woolley asked that report authors adhere to the use of plain language, in line with the agreed policy. The Chief Executive commented on improvements to report writing with the new format and the need for editorial control over the detailed information provided in performance reports. He spoke of the significant progress with the use of the CAMMS system.

Following a question from the Chairman about the use of 'yellow' risk levels, the Chief Executive provided explanation on the move to a more sophisticated five column matrix. The Chief Executive also provided a response to Councillor Marion Bateman on the future recycling of 'incinerator bottom ash' as part of the regional waste project.

**RESOLVED:**

- (a) That the Committee, having considered the 2015/16 Performance Report, is assured of progress and performance against the national indicators set by the Welsh Government; and
- (b) That the requests be passed on for further information to be given to the Committee.

**26. IMPROVEMENT PLAN 2015/16 YEAR-END PROGRESS**

The Chief Executive presented the update report to consider progress towards the delivery of the impacts set out in the 2015/16 Improvement Plan, focussing on the areas of under-performance relevant to the Committee during

the fourth quarter/year end. The 'red' risk areas were set out in the report, with the current financial position inevitably remaining an area of concern. However, the risk in the capacity of the organisation to implement changes would significantly reduce during 2016/17 due to progress on Alternative Delivery Models.

Whilst Councillor Arnold Woolley acknowledged the challenging financial position, he questioned the timeliness of the drafting of the report and stressed the need for up-to-date information. The Chief Executive explained that the report showed the year end position with the narrative being based on circumstances and information at that time. He pointed out that the materiality of the risks on the financial situation remained unchanged.

Councillor Peter Curtis spoke in support of the response given by the Chief Executive.

Councillor Woolley questioned whether the details on implementing the People Strategy could have been updated at a later stage than December 2015. The Chief Executive agreed that this would be updated. He added that the amber rating for this indicator reflected the fact that the Strategy was due to be re-published was behind schedule. In reality, the resources of the Human Resources & Organisational Development Team had been geared to the priorities for supporting organisational change during the year. Examples were the work on alternative delivery models, business planning and structural reviews.

Councillor Richard Jones questioned the inclusion of a target for the number of social enterprises supported to thrive when none had been shown in the original Improvement Plan. The Chief Executive said that the report could have reflected the fact that the target had been set in-year following adoption of the Plan. He agreed to follow up the request for details of the Communities First areas referred to.

In response to further queries, the Chief Executive clarified that a generic 95% target applied for the completion of appraisals across the organisation. A response would be given on the reason for no target for efficiencies achieved through the use of electronic purchasing. The query in relation to no 'actual' data shown for the number of working days/shifts lost due to sickness absence would be referred to the Senior Manager for HR & OD. Explanation would also be provided on the downturn in the percentage of customers successfully locating what they required on the Council's website, along with a breakdown of the 26 key performance indicators (KPIs) which were off track.

Following comments from Councillor Paul Shotton about the uncertainty on financial planning, the Chief Executive spoke about the Council's aim, with support from local partners, to put together a case for discussion with the Welsh Government. In the event of there being no emergency budget by central Government then the financial predictability for Welsh Government should allow timely planning for 2017/18.

On the capacity of the community and social sectors, Councillor Woolley questioned the robustness of procedures and business plans to ensure the long-

term survival of Community Asset Transfers and Alternative Delivery Models. The Chief Executive said that business plans had been subject to intensive consideration with progress reports due to be submitted to Cabinet the following week. However, there was an element of uncertainty in all business planning due to market forces, for example where assumptions of income levels had to be made.

When asked by the Chairman about business plans for Community Asset Transfers, the Chief Executive replied that some had been published online but that copies could be shared with Members on request, noting the local sensitivities in some issues.

### **RESOLVED:**

That the Committee, having considered the Improvement Plan 2015/16 Year-end Progress report, is assured of progress and performance noting the requests for information on the key performance indicators and missing data.

## **27. REVENUE BUDGET MONITORING (OUTTURN) AND CAPITAL PROGRAMME MONITORING (OUTTURN)**

The Corporate Finance Manager introduced the reports on the Revenue Budget and Capital Programme Monitoring 2015/16 as at Outturn, which had been submitted to the previous Cabinet meeting.

### **Revenue Budget Monitoring 2015/16 (Outturn)**

The final position reported that the net in-year expenditure was £1.489m below budget, with a contingency reserve balance of £4.375m as at the end of March. As a year-end adjustment, there had been a reduction in final costs for out of county placements and an increased return on interest and investment income, offset by reduced support service recharge income. The report included a brief overview for the year and details of significant movements since Month 12. An update was also provided on the programme of efficiencies, inflation and reserves.

On the Housing Revenue Account (HRA), the net in-year expenditure on was £59K higher than budget, with a closing balance of £1.178m representing 4.3% of total expenditure (above the minimum 3% recommended level).

### **Capital Programme 2015/16 (Outturn)**

The report detailed changes to the programme during the last quarter of 2015/16 resulting in a decrease of £2.178m in the period. There were currently £3.168m of resources available for funding future capital expenditure. The changes since budget approval were set out, with the most significant being the Housing Revenue Account subsidy buy-out of £79K. Changes during the last quarter had resulted in a net decrease to the programme of £1.452m. A rollover of £1.874m during the last quarter brought the final rollover figure into 2016/17 to £6.192m. An update was also given on the funding of 2015/16 approved schemes and on capital programmes for 2016/17 and future years.

**RESOLVED:**

- (a) That the Revenue Budget Monitoring 2015/16 (Outturn) report be approved; and
- (b) That the Capital Programme 2015/16 (Outturn) report be approved.

**28. REVENUE BUDGET MONITORING 2016/17 (MONTH 2)**

The Corporate Finance Manager introduced a report on the revenue budget monitoring position for Month 2 of 2016/17 for the Council Fund and Housing Revenue Account (HRA) prior to its consideration at Cabinet on 19 July 2016. As in previous years, this was an exception based report due to the necessary resources required at this time for the closure of the 2015/16 accounts. A number of proposed budget realignments were reported, including those set out in paragraph 1.06 for Social Services. The emerging risk and issues identified across portfolios had been raised at this early stage, however a more detailed position would be given in the Quarter 1 report in September. An update was also shown on the proposed use of contingency reserves in respect of Legal Services and Leisure. Officers noted the error in section 1.10 of the report which was pointed out by Councillor Arnold Woolley.

Councillor Richard Jones raised queries on parking charges as part of the proposed budget realignments in Streetscene & Transportation. The Chief Executive spoke about the risks in not achieving income targets and the delays in implementing the scheme in Flint due to the current movement of parking and traffic in the town. He gave explanation on the amended scheme to be introduced at County Hall, following negotiations with Trades Union colleagues. In response to further questions, he said that the site differed to the other car park sites and had not been excluded from the scheme originally put forward. He went on to provide a brief update on the proposed changes to the Essential Car User scheme, as reported to the Audit Committee, for which a challenging efficiency target had been set.

When asked by Councillor Paul Shotton about the potential to roll out 'double' parking tickets across the county, the Chief Executive said that this might be feasible with the support of local businesses. A 12 month review of the parking strategy was due to be considered at the next Cabinet meeting. Having declared an interest, Councillor Richard Jones explained that he had been granted dispensation to speak in respect of car parking charges. He pointed out the need for the majority of traders to support the double ticket scheme in their area, pointing out that not all traders were in favour of it.

The Chief Executive agreed to follow up an issue reported by Councillor Peter Curtis regarding a problem with a car park in Holywell where charges did not apply.

Councillor Shotton referred to the request for one-off funding support for summer play schemes due to the withdrawal of grant funding which was a concern for Town/Community Councils. The Chief Executive said that this was an ongoing risk requiring review.

## **RESOLVED:**

- (a) That the Revenue Budget Monitoring Report 2016/17 (Month 2) be approved; and
- (b) That the Committee confirms that, on this occasion, there is nothing which it wishes to be brought formally to the attention of the Cabinet.

## **29. PERFORMANCE APPRAISAL REPORT & PROGRESS UPDATE**

The Chief Executive introduced a report to provide an overview of completion levels of appraisals across the Corporate Services portfolios (Governance and People & Resources). As an update to the report, it was noted that 81% of appraisals had now been completed in the Pensions team with the remainder scheduled for completion by the end of September. Following a review of the methodology used for recording and reporting appraisal completion levels, a set of eligibility criteria had been agreed to ensure meaningful and consistent reporting across the organisation. Further improvements to the process in managing changes to posts and scheduling appraisals on the iTrent system gave reassurance that eligible employees were receiving appraisals in line with the corporate policy.

The Senior Manager for HR & OD spoke about the introduction of 'light touch' appraisals for larger workgroups involving collective discussions on issues relevant to those roles, although this did not exclude the option to seek a private appraisal. The data for Corporate Services had been shared with Internal Audit and work was now underway to carry out the same exercise for service portfolios to enable an update to be brought to the September meeting. An additional field had been incorporated in the iTrent system to instigate a reminder of scheduled appraisals. The Chief Executive advised that anonymous feedback would be sought on the quality of appraisals to give further reassurance.

Councillor Richard Jones felt that managers' appraisals should stipulate the need to complete appraisals for team members. He acknowledged the reasons for introducing 'light touch' appraisals but felt that these would not help to identify good or poor performance within teams. It was explained that there were a number of core objectives applied to those with line management responsibilities. The light touch appraisals did not affect the expectations of day-to-day supervision/management roles and would contain an element of 'career conversation' to raise awareness of expected competencies.

Councillor Peter Curtis stressed the importance of adequate appraisals in adding value to the organisation. The Chief Executive, Senior Manager and Corporate Finance Manager described their personal approaches to conducting appraisals and the benefits gained from all perspectives.

In response to questions from the Chairman, the Chief Executive said that an annual appraisal was the minimum requirement. The Senior Manager provided details of the range of support, above the guidance, given to managers to support the completion of appraisals.

In respect of the groups of employees not eligible for appraisals, Councillor Arnold Woolley sought clarification on those returning from long-term sickness absence. The Senior Manager spoke about the robust process involving attendance reviews and individual discussions/monitoring, which was more detailed than appraisal process. For employees whose managers were absent over a prolonged period, a trigger was in place to ensure that no-one was overlooked.

Councillor Paul Cunningham commented on the need for the Council's duty of care to the workforce, particularly in changing times.

The Chief Executive gave his preference for the target for completing appraisals to be changed from 95% to 100%. Councillor Jones said that this should apply across the organisation and suggested that the Committee receive five examples of appraisals for consideration at a future meeting. Officers agreed that appraisal paperwork (including the competency framework) could be shared, together with some examples of anonymised evidence of outcomes. It was suggested that this item could be brought to the October meeting.

**RESOLVED:**

- (a) That the Committee endorses the progress made against the target set for completion of appraisals for Corporate Services, which was presented first as a model for future reporting;
- (b) A more detailed report including Service Portfolios will follow in October 2016; and
- (b) That the Committee accepts the timeline for completion of scheduled appraisals as 30 September 2016.

**30. FORWARD WORK PROGRAMME**

In presenting the Forward Work Programme for consideration, the Member Engagement Manager highlighted the detailed items scheduled for the September meeting. It was agreed that the items on service portfolio appraisals and Welsh Language standards would be moved to the October meeting.

Councillor Richard Jones asked whether the Committee could receive a report on the risks to changes in grant funding. The Chief Executive agreed that this was a legitimate issue concerning organisational risk.

**RESOLVED:**

- (a) That the Forward Work Programme, as submitted, be approved with amendments; and
- (b) That the Member Engagement Manager, in consultation with the Chair and Vice-Chair, be authorised to vary the Forward Work Programme between meetings, should this be necessary.

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

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

**32. USE OF CONSULTANTS**

The Chief Executive presented a report with an evaluation of the work, value and impact of the small number of consultancies engaged at a value of £25K or more in 2015/16. A report to the Audit Committee on the updated controls now in place to procure consultancies had been welcomed by the Internal Audit Manager.

Councillor Richard Jones expressed his appreciation for the report which demonstrated good value for money.

Following a request from the Chairman, the Chief Executive agreed that an update on the use of consultants would be reported to the Committee and the Audit Committee in June/July each year.

Councillor Arnold Woolley recalled the thorough, positive debate on the matter by the Audit Committee.

**RESOLVED:**

That, having considered the progress report on the use of consultants, the Committee is satisfied that the Council is achieving value for money.

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

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

(The meeting started at 10.00 am and ended at 12.00 pm)

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**Chairman**