

CORPORATE SCRUTINY COMMITTEE

27th October 2003

PRESENT:-

Labour Group

Councillor Bell (Chair), Councillor Murphy (Vice-Chair) and Councillors Mulgrew and Stone.

Conservative Group

Councillors Ford and Mrs. Hood.

MINUTES

The Open Minutes of the Meeting held on 15th September 2003 were taken as read, approved as a true record and signed by the Chair.

COS/28. MEMBERS QUESTIONS AND REPORTS

The Chair reported that the review of the scoring system for service development proposals had been considered by the Finance and Management Committee. This matter had been deferred and would now be considered by the Council at its Meeting on 6th November 2003.

COS/29. CORPORATE PLAN

It was reported that the Council agreed its first Corporate Plan in November 2001. In January 2003, the Plan was reviewed and rolled forward to cover the year ending March 2004. A review was currently underway and was of particular significance because of the need to:-

- ❑ Produce a three year plan (in line with the performance reporting requirements of Circular 03/03)
- ❑ Reflect the emerging themes of the Community Strategy
- ❑ Incorporate improvement proposals arising from work on the Council's first Comprehensive Performance Assessment (CPA)

In previous years, there had been a lack of clarity about the content of the Plan and the arrangements for producing it. To remedy this situation, a 'project brief' had been prepared to define the scope, content and format of the Plan, together with the timetable for its production. A copy of the brief was circulated and the Deputy Chief Executive took Members through it. The brief envisaged Members having a greater input in managing the production of the Plan and shaping its contents.

In terms of the timetable, a Members' Seminar was planned for 12th November and a Special Council Meeting for 27th November, to approve the new Corporate Plan and the CPA submission. At the present time, work was focused on the identification of themes to support each of the key aims and progress proposals for service developments and improvements (informed in part by CPA work).

In response to a question from the Chair, it was confirmed that the Council had eight key aims and an outline was given of a recent review undertaken. No significant changes were planned to the key aims but it was proposed to amalgamate two of the existing key aims and to introduce crime and disorder as a distinct aim. A number of 'themes' were being developed from the key aims which would be more specific and easier to understand, but these would be greater in number. The Chair asked how Members could shape the key aims and an explanation was given of the process undertaken by a CPA Member Working Panel, to modify the key aims. As this had only involved a smaller group of Members, other Members might wish to submit their views.

The Vice-Chair was mindful that the key aims were developed following public consultation and he questioned whether a fresh look at the key aims was warranted. Councillor Ford felt that there would be different priorities for the urban and rural parts of the District.

The Chair commented that the process to identify key objectives effectively ranked a number of issues from a prepared list. He identified other specific issues which could be considered as key aims. Officers explained the different consultation methods used, including Mori Polls, Best Value User Satisfaction Surveys, the Citizens Panel and 'quality of life' questionnaires. It was noted that this subject area was not an exact science. It was planned to include a section within the Corporate Plan to summarise the consultation responses.

The Chair commented on the importance of this process and the need for consideration by the political groups. Other issues raised were the tight timescale for this process and the consultation arrangements provided.

COS/30. **ASSET MANAGEMENT PLAN AND BEST VALUE IMPROVEMENT PLAN**

It was reported that the Asset Management Plan (AMP) for 2003 was submitted to the Government Office for the East Midlands at the end of July 2003. A response was awaited, but if the Council achieved a "good" score it would not be necessary to submit plans in future years.

The Asset Management Best Value Review Improvement Plan was approved by Members in February 2003 and a number of its actions were due to be undertaken during the current financial year. The report included the AMP Action Plan and actions from the Best Value Improvement Plan. Details were provided of the progress to date and the Chief Finance Officer gave a verbal update on each of the actions identified.

In receiving the report, Members discussed arrangements for bench-marking and the selection of 'comparator authorities'. The Vice-Chair sought information on how each group of assets was assessed to determine suitability for current and possible future uses. In response the Chief Finance Officer referred to the consolidation of asset management responsibility under the Finance and Management Committee and the exercise undertaken recently to consider the future leasing arrangements or disposal of a number of village halls and community premises. The Chair referred to the survey of the Civic Offices and the review of space requirements for each division. He noted that this had been ongoing for some time and asked whether the review had been completed. It was confirmed that many aspects of the review had been completed, but a survey

of the Depot was needed and finance was required to implement the proposals. This would be considered as part of the forthcoming budget round.

Councillor Ford asked whether the Council ever sought to acquire assets. The Council's limited capital programme rarely enabled the acquisition of new property, but it did provide resources to improve existing assets. In this regard, Councillor Murphy felt that the Council should not dispose of village halls or community premises. Officers reassured Members that if it was planned to dispose of such property there would be appropriate safeguards and covenants to protect the asset for the future.

COS/31. **CAPITAL STRATEGY 2003/04**

A report was submitted to seek Members' comments upon the Council's forthcoming Capital Strategy. It was reported that the Single Capital Pot (SCP) pooled both housing and general fund resources available to local authorities. At the same time, the Government had introduced the Major Repairs Allowance, which provided specific resources to maintain Council homes. Effectively this meant that the SCP was smaller. Part of the SCP was allocated on the basis of each authority's plans for Capital Spending, as set out within the Capital Strategy. Local authorities were encouraged to look at a wide range of different ways of funding their capital projects, including working with other organisations and bidding for external funds. It also meant disposing of assets to generate receipts to fund capital spending priorities.

The Capital Strategy linked closely with the Asset Management Plan and these documents, together with the Housing Strategy, would be used to assess the capital allocation for South Derbyshire.

Last year the Council was required to submit its Capital Strategy to the Government Office for the East Midlands (GOEM) for a formal assessment. As the Strategy had been considered 'good' the Council would not be required to submit a further Strategy to GOEM this year. It was still considered appropriate for the Strategy to be kept under review, for example to take into account proposed revisions to the assessment criteria for capital bids and changes to the Council's aims and objectives within the revised Corporate Plan. These two areas had provided the main focus for the review of the Capital Strategy, which was circulated for consideration.

In reviewing the document, the Vice-Chair referred to the complexity of the 'prudential approach' and even with the layman's guide provided, this subject was difficult to understand. Consideration was being given to organising a Members' Seminar on such finance issues.

The Chair referred to the service of debt. The Chief Finance Officer advised that rather than being an issue for the Capital Strategy, this was a treasury management matter and a revised policy had recently been approved by the Finance and Management Committee. It was confirmed that the Council had not needed to borrow funds in recent years due to income generated from land sales.

There was a discussion about procurement arrangements and particularly benchmarking the costs of providing services. Other topics discussed were

the Council's key aims, Performance Indicators and particularly the scale of Council house sales and information was provided about credit approvals, together with the repayment of debt.

COS/32. **BUDGET ISSUES (INCLUDING THE AUDITORS SCORED JUDGEMENT)**

The Chief Finance Officer gave a verbal report. He reminded Members of the discussion at the previous Meeting and the submission made to the Benefit Fraud Inspectorate. He explained that the Auditors Scored Judgement was an overview of the Council's financial position, which would assess such things as the adequacy of its reserves, whether the Council was meeting its financial targets, how it was audited, how it addressed risk areas and the plans in place to address risks. It also took account of standards of financial conduct, how quickly and accurately the Council produced its financial statements and the legality of its financial arrangements. The process would be undertaken by the Council's external auditors and information had to be submitted by the end of November 2003. The results would be received by the start of the Comprehensive Performance Assessment (CPA) process in January 2004. It was understood that the scored judgement would impact on the final assessment for the Council. The Deputy Chief Executive confirmed that the outcome would impact on the strengths and weaknesses part of the CPA, thus affecting the overall rating. The Council had received guidance on those areas that were expected to be included in the submission. A self assessment had been undertaken which had identified shortfalls in certain areas and these had been addressed. Specifically, improvements had been made in the areas of treasury management and with regard to the complaints procedure. The submission would now be made to the external auditors and based on an initial assessment and that undertaken by the Council's internal auditors, it was anticipated that positive feedback would be received.

Councillor Ford recognised the success of the Council in terms of Benefit Fraud performance. He questioned whether there was any award or recognition for this achievement. There was no such award, but it was hoped that customers would be satisfied with the service provided.

The Chair referred to the budget consultation process undertaken through Area Meetings. The Chief Finance Officer reminded of the consultation undertaken at a recent cycle of Area Meetings and that planned for the January round of Area Meetings to inform the budget process.

COS/33. **CUSTOMER CARE SPECIAL PROJECT**

The Chair introduced this item, reminding Members of his thoughts on the need for this Special Project. The recently appointed Customer Services Manager had been charged with undertaking a review of customer care and a cross-department working group had been established. There was no intention to duplicate the work on customer care already being undertaken, but it was hoped that the Scrutiny Committee could oversee the process and seek to provide some input. Initially, it was suggested that information be gathered on the work being undertaken. The Chair spoke of his own experience of quality assurance and the benefits of putting appropriate systems in place.

In response to Members questions, the Deputy Chief Executive confirmed that a quality assurance accreditation had been achieved for the former engineering and design function of the Council. The Council's Depot was exploring a "Charter Mark" for its approach to delivering customer service. The Vice-Chair suggested that external consultation be undertaken to seek customers views about service delivery. Members could also tour the Civic Offices to see how services were delivered.

The Chair suggested that a Special Meeting of the Scrutiny Committee be arranged to consider this issue in greater detail. After some discussion, it was proposed that the Meeting be held on Monday, 17th November 2003 at 4.30 p.m. The Customer Services Manager and appropriate staff from the Depot would be invited to attend the Meeting.

COS/34. **WORK PROGRAMME**

The Scrutiny Committee considered the Work Programme for the coming months. Details were provided on those Best Value Reviews, Policy Framework Documents, Special Projects and Responsive Issues proposed for consideration. In preparation for the Comprehensive Performance Assessment it was anticipated that Inspectors might attend the next scheduled Scrutiny Committee Meeting. It was planned to bring together all Scrutiny Committee Members to look at the areas considered to date and any training needs. The date of this Meeting was still to be arranged and would be confirmed to Members in due course.

R. BELL

CHAIR

The Meeting terminated at 5.35 p.m.