

CORPORATE SCRUTINY COMMITTEE

9th February 2004

PRESENT:-

Labour Group

Councillor Bell (Chair) and Councillors Mulgrew and Stone.

Conservative Group

Councillors Atkin and Mrs. Hood.

COS/48. **MINUTES**

The Open Minutes of the Special Meeting held on 17th November and the Minutes of the Meeting held on 8th December 2003 were taken as read, approved as true records and signed by the Chair.

COS/49. **BEST VALUE REVIEWS**

Asset Management

The Chair advised new Members of the Scrutiny Committee's role with regard to Best Value Reviews. For both the Asset Management and Human Resources Management Reviews, the Committee would monitor the Implementation Plans.

The Economic Development Manager circulated the Improvement Plan for Asset Management. He took Members through the document and explained the progress made to date. Members took the opportunity to ask questions on specific sections. The Chair sought further information about the review of disability access issues.

Key issue 2 concerned a lack of clarity over current Asset Management responsibilities. The Officer provided further information, particularly in response to a question from the Chair about recreation ground responsibility. Dissatisfaction with the Repairs and Maintenance Service was raised under Key Issue 5. Planned Maintenance of non-housing assets was a particular problem. The Deputy Chief Executive advised that the planned review of the organisation should clarify responsibilities for such issues. At present there was a backlog of maintenance works and subject to resource availability, this backlog would be addressed and a pro-active maintenance approach could then be adopted.

The Economic Development Manager commented on the conversion of computer based Asset Management data. He spoke of the progress made on Civic Offices issues and concluded that the Implementation Plan was on target in most areas, but there was a reliance on departments to work corporately on Asset Management issues.

Human Resource Management

A copy of the Best Value Review Action Plan was circulated and the Personnel Officer gave an update. He advised that the new Human

Resources Manager would commence employment with the Council on 16th February 2004. Another post-holder had left the Department prior to Christmas and the recruitment of a replacement Officer was ongoing at present.

The Personnel Officer highlighted particular issues within the Action Plan. Under Issue 2 an update was given about employee and Member development. Unit Managers were currently undergoing a training course and training for Divisional Managers had been put on hold, pending the planned restructure. A process would be undertaken to assess employee competence and the Officer explained a planned new policy to deal with harassment.

The Chair sought an update on Single Status and the implementation of the Job Evaluation Scheme. Background was provided for newer Members. The Personnel Officer indicated that problems had been experienced elsewhere with the Job Evaluation Scheme and to date, only 20% of local authorities had concluded their pay review. The Deputy Chief Executive added that a key principle of the scheme was that there would be no significant additional costs. Those authorities that had resolved pay issues had either faced significant costs or implemented pay cuts for certain sections of staff.

The implications of the Employment Act 2002 were raised, particularly with regard to Disciplinary and Grievance Procedures. Managing Capability and Risk Management issues were also discussed. A question was submitted about the Sickness Absence Procedure, particularly where the employee was suffering from stress. The Personnel Officer indicated that use was made of Occupational Health and a pro-active approach was taken. Monitoring of long-term absence was discussed and it was noted that levels of absence had reduced significantly.

The Deputy Chief Executive confirmed that Departmental Service Plans would include risk management issues and stress had been identified as a risk. The District Council took a serious approach to this issue. He spoke of the ongoing work in certain divisions to review sickness absence. Related issues discussed were the use of home visits, determining where the stress was caused through work related problems and seeing how such problems could be addressed. Statistically, it was more often non-work issues that were the cause of stress.

The Chair spoke of the need for training and supervision to ensure that manual processes were undertaken properly, to avoid the risk of injury. Councillor Atkin asked whether help was provided to minimise the risk of stress. Councillor Stone referred to the planned harassment policy and questioned how any policy would address peoples' different perceptions of harassment. The Personnel Officer advised that the policy would provide advice and contact points. An informal or formal approach could be undertaken. Where a formal approach was adopted, an investigation would take place, to assess whether harassment had occurred. An appropriate Manager and a Personnel Officer would undertake this investigation, looking at examples from the complainant to see if there was a case of harassment.

Equality issues and the Home Working Policy were also considered. The Officer explained progress with the formulation of the Policy and an employee was now working from home on a trial basis. Questions were submitted

about the reimbursement of costs and maintaining security of information. An update was given about refocusing and reprioritising. The Officer explained the ongoing consultation and staff briefings being provided at present.

COS/50. **BUDGET ISSUES**

The Committee's review of the budget process was due to be reported to the Finance and Management Committee on 17th February 2004. A draft report was circulated for the Committee's consideration. The Chair took Members through this report and suggested some minor alterations for the final version. The Committee should discuss a full range of issues but only report the key issues in their feedback to the Finance and Management Committee.

With regard to Council debt, the report proposed that the Overview Committee meet with lead Members to explore the options of debt repayment in depth, before any decision was taken. The Chief Finance Officer sought clarification on the approach proposed. He was mindful of the time constraints and the fine balance on determining whether to pursue the repayment of debt at this time. Practically, a decision would need to be taken by the Council Meeting in late February, if debt repayment was to be pursued. It was agreed that a collaborative approach would be preferable to calling in any decision, as that process had prescribed timescales. The Chair confirmed that all Members were agreeable with this approach.

The Chair then raised his concerns about pessimistic assumptions of income and expenditure evidenced by the surpluses of the past three years. The Chief Finance Officer accepted that actual outturns could vary from budget projections, but he highlighted the significant financial challenges faced by the Council in the medium term. He referred particularly to the projected balance levels and considered that the position would not vary significantly. He hoped the Committee would recognise these significant challenges. He reaffirmed that action must be taken to address projected fall in balances and the Chair reminded of the historic variances between actual outturns and budget projections.

Councillor Atkin asked how a rise in interest rates would impact on the Council. Current indications were a rise in short-term borrowing and in the longer term, interest rates would continue to fall. Council projections had assumed that interest rates would remain broadly the same, but if interest rates rose the District Council would have an improved financial position, due to its investments. It was noted that most District Council borrowing was on a fixed rate basis and some of the interest rates incurred were quite high, due to the prevailing rates at the time of borrowing.

There was a discussion on the falling Housing Revenue Account (HRA) income stream. The Chief Finance Officer confirmed the need to make savings on the HRA and advised newer Members that this account was totally separate from the General Fund. It was noted that some elements of the Housing Service were charged to the General Fund rather than the HRA. In particular this concerned work on homelessness.

Comment was made about the additional expenditure on the Planning Service and it was confirmed that ring-fenced funding had been received for this purpose.

The evaluation of the revised scoring system for Service Development Proposals was also considered. It was hoped to apply the revised scoring system to all Council expenditure. The Chair felt that the review of the scoring system should not be undertaken too hastily and the Deputy Chief Executive added that Members would need to be totally satisfied with the scoring system before applying it to the whole of the Council's budget. The Chief Finance Officer explained that if the scoring system was to be applied to the whole budget, practically this would need to commence in April 2004. If it was considered that there were major problems with the current system, Officers would need to be made aware of this by the end of March 2004.

Other issues considered by the Committee were production of a quarterly finance bulletin, presentation of the budget, based on key aims and Member training on finances. Councillor Stone referred to the projected shortfall on the HRA and questioned whether the sum identified took account of reduced maintenance costs.

It was confirmed that the report to Finance and Management would be finalised, circulated to Members of this Committee for their approval and then to the Chief Finance Officer and Members of the Finance and Management Committee.

COS/51. PERFORMANCE PLAN SUMMARY

Consideration was given to the format of the Best Value Performance Plan Summary document. It was proposed to produce a two-sided colour A4 leaflet and the Policy and Best Value Manager gave an outline of its proposed content. A larger summary document would be produced to coincide with the main Best Value Performance Plan in June. This would enable the results of the Comprehensive Performance Assessment, due on 6th May to be included within that document. The Council's in-house Graphic Designer would assist with the format and colour schemes for the various documents. Councillor Atkin questioned whether a feedback form would be provided with the leaflet. Whilst this was not planned, contact details could be provided to enable feedback.

COS/52. CORPORATE PLAN

It was reported that the revised Corporate Plan had been approved and would be introduced on 1st April 2004. There was a need to put in place effective mechanisms to ensure that the Plan was delivered. The Policy and Best Value Manager circulated information on the key aim "Caring for the Environment". This provided details of targets, milestones for 2004/05 and specified the responsible Committee, lead Management Team Officer, the relevant Service Plan and the resource implications, where appropriate. Monitoring would take place by the Corporate Management Team and Policy Committees through work programmes. The Chair questioned the role for Scrutiny Committees and it was suggested that Policy Chairs could be accountable to report to the respective Scrutiny Committee. The Deputy Chief Executive explained that Corporate Plan issues should flow into Service Plans.

COS/53. **RESPONSE TO REPORTS TO POLICY COMMITTEES**

The Chair introduced this item and explained the research undertaken by the Policy and Best Value Officer. A report was circulated and the main issues referred to Policy Committees concerned plans and strategies and the budget process. Members were reminded of the recommendations made to the Policy Committee for each of these issues. It was noted that the Environmental and Development Services Committee had undertaken a pilot study on work programmes and schemes of delegation. A similar study would shortly be commenced for the Housing and Community Services Committee. The Policy and Best Value Manager spoke about the first review. The Environmental and Development Services Committee would have a work programme and a slot on each agenda for the review of plans and strategies. It was hoped that this approach would be adopted by the Housing and Community Services Committee and the first meeting of its pilot study would be held later in the week.

Members were reminded of the recommendations made with regard to the 2003/04 budget. The Chief Finance Officer responded to each of the points raised. The Deputy Chief Executive spoke about training needs for Members following a comment Councillor Atkin made about providing ongoing training.

COS/54. **WORK PROGRAMME**

The Committee gave consideration to its Work Programme for the coming months. Details were provided about progress reports on Best Value Reviews, Policy Framework Documents, Special Projects and Responsive Issues that were proposed for discussion.

The Chair commented on the recent visit to the Council's Depot, as part of the Customer Care Special Project. He felt that the staff were customer focussed and provided a responsive service. He also commented on the statistical information maintained to monitor performance. It was suggested that the next visit take place to the Environmental Health Department on 18th February 2004 at 2.00 p.m. The Policy and Best Value Manager confirmed the services delivered by this section.

The Chief Finance Officer questioned the terms of reference for the visits and the Chair confirmed that prior knowledge was given of a visit and a check list approach was used to provide some structure. Feedback was sought from the staff within the section.

Councillor Atkin sought further information about the Working Group for Refuse Collection. It was confirmed that this Group had been formed with a specific remit. The Deputy Chief Executive provided feedback from staff at the DSO who had enjoyed the visit and found it interesting. The staff had suggested open-house sessions for other Members, if they wished to visit the DSO. Councillor Atkin sought further information about the bulky collection service and commented about fly-tipping. It was confirmed that a charge was made for the bulky collection service and the Deputy Chief Executive agreed to provide Councillor Atkin with details of the cost involved.

R. BELL

CHAIR

The Meeting terminated at 6.15 p.m.