

CORPORATE SCRUTINY COMMITTEE

13th February 2006

**PRESENT:-**

**Labour Group**

Councillor Murphy (Chair), Councillor Lane (Vice-Chair).

**Conservative Group**

Councillors Atkin, Bale and Bladen.

**In Attendance**

Councillor Harrington (Labour Group).

COS/23. **MINUTES**

The Open Minutes of the Meeting held on 5th December 2005 were taken as read, approved as a true record and signed by the Chair.

COS/24. **BUDGET PROPOSALS 2006/09 - REPORT TO FINANCE AND MANAGEMENT COMMITTEE**

It was reported that, at its Special Meeting on 30<sup>th</sup> January 2006, the Committee had considered the budget proposals for the period 2006/2009. From that Meeting, Members' views had been taken into account and a draft report prepared for submission to the Special Finance and Management Committee Meeting on 23<sup>rd</sup> February 2006. The Committee was asked to give consideration to the draft report.

The Chair referred to the report's recommendations with regard to the Project Plan for the Shifting Resources. He stated that this issue had been included on the Committee's work programme previously. From discussions with the Chair of the Finance and Management Committee, it was felt that Scrutiny could make a useful contribution to this process. The Chair referred to the corresponding paragraph within the body of the report and there was a discussion on the respective roles of Finance and Management and the Corporate Scrutiny Committees for this project. Initially, there was a need to agree Terms of Reference with the Finance and Management Committee. The Scrutiny Committee could undertake the initial work to look at the process to be undertaken, but it was for the Policy Committee to undertake that process.

The Director of Corporate Services referred to shifting resources and outlined the Government's perspective on it. There were two key areas, concerned with back office efficiencies and procurement. The Officer referred to financial issues, base budgeting and the need to compare current services against the Corporate Plan priorities. There were a variety of mechanisms available to achieve of this, including zero base budgeting, although it could be complex. There was a desire to keep this process simple and an example was provided to show how services could be examined and prioritised. The Officer was also undertaking research through CIPFA, to gain experience from other local authorities

The Chair repeated the need to agree terms of reference for the project. He felt that the Scrutiny Committee could help to shape this process, but it could not carry it out. The Deputy Chief Executive read extracts of the draft Minutes from the previous Special Corporate Scrutiny Committee, to remind Members of the issues raised including the need for a two stage process.

Councillor Atkin sought further information about moving staff, the numbers involved and he referred to recent appointments. The Director of Corporate Services explained that the aim was not to increase staff levels, but to relocate existing staff and she gave examples of how this had been undertaken.

In terms of the way forward, the Chair suggested meeting with Finance and Management Committee representatives. The Director of Corporate Services intended to raise this issue at the meeting of the Corporate Improvement Group, the following week and would report back on any ideas brought forward from that forum. Councillor Bale sought further information about the Scrutiny Committee taking a proactive role in this review. The Chair reminded that Scrutiny had a role to engage in policy review and development. This was common practice elsewhere and had proven to be very productive. Efforts were being made to communicate this wider proactive role to other Members of the Council.

There was a discussion on the paragraph within the draft report that related to changing culture. The Chair felt there was a need to emphasise this issue. The Vice Chair referred to consultations undertaken as part of the review of the Best Value process. He was not aware if there had been any attempt to change culture within the organisation. Related to this, the Director spoke about wider issues under Value for Money (VFM). She referred to procurement and strategic service reviews. The Chair pursued this point and the Vice Chair referred to performance management issues.

The Deputy Chief Executive explained that this section of the report focussed on “Challenge”. It followed the discussion at the previous Meeting, resulting from the questions posed to the Corporate Management Team, on whether it was able to undertake a VFM challenge. The Chair commented on the draft report recommendation and on this section of the report.

Councillor Bladen referred to cultural change, shifting resources and he felt there was a need for an external focus. This was a difficult task, but it could be achieved. The Chair and Director of Corporate Services pursued the discussion on cultural change. The Officer outlined the reporting arrangements and she felt there was a need to drive performance and cultural change from the top downwards. She touched on procurement and Members’ role in changing service delivery. In an ideal situation, all relevant information would be available to enable comparison of the cost and quality of services.

The Deputy Chief Executive reminded Members of the line of questioning at the previous Meeting. Officers had been open in saying that they did not have all the VFM information required at present, but this issue was being addressed. He felt that the draft report reflected the discussion at the previous Meeting. Members reaffirmed the importance of achieving the right culture within the organisation, so it was able to respond to new issues. There was a need for management information, so the Council knew its

capabilities and it was felt the Council was not in a good position to do this presently.

The Deputy Chief Executive referred to the collection of performance management information. From the Comprehensive Performance Assessment, there had been some mixed findings. He referred to the new performance management framework, which should lead to more consistency in service delivery. The VFM study had recognised the need for performance and other information on the cost of services.

Councillor Bladen felt there was a need to look at the broader picture, including cross broader arrangements when considering service delivery through partnerships. He felt that it would take time and possibly a whole generation, before a cultural change could be achieved within the Authority. Councillor Atkin questioned whether the Council needed to lead the way on this issue, or it could look at arrangements elsewhere. The Deputy Chief Executive gave examples of the proactive approach adopted by the Council in some areas and those related to partnership working. He also outlined issues in working with other local authorities, including their motives, perceived benefits and the potential for an adverse impact on service quality and costs. The Director of Corporate Services reminded that Scrutiny could look externally at other authorities' service delivery or it could invite external contributors to attend its meetings. The Chair agreed there was a need to take a more external approach and he used the Derbyshire County Council Review of Street Scene as an example.

He then referred to the "Challenge" section of the draft report, requesting the inclusion of a date within one of the paragraphs. He felt that the initial paragraph within this section was misleading, as it implied that the Corporate Plan identified some long term aspirations. To provide a context, Officers referred to the available resources in the next financial year for service development proposals and the total value of schemes submitted. It was questioned whether service proposals were being limited, because of funding constraints. The Chair noted that in the past, service developments had been more finance led than focused on priorities. There was no doubt that this year the corporate plan had led the way and finance had followed function. Councillor Lane also touched on long term aspirations, noting that the Corporate Plan did not include a ten year vision. However, he recognised the progress made to date. Officers reminded that not all aspirations required additional finance. Many functions were being delivered already and were focused upon more if they became a priority. Further discussion took place on the "Challenge" section of the report. The Committee agreed to the draft report, being amended in line with Members comments and that it be submitted to the Finance and Management Committee.

#### COS/25. **WORK PROGRAMME**

Views were sought from the Committee on the next special project to be commenced. The Vice Chair referred to outstanding scrutiny recommendations and the need to pursue those that related to this Committee. With regard to the Member Champions Project, there was a discussion on how this would be taken forward. Officers now had a definitive list of the Member Champions and the draft questionnaire could be considered at the Overview Committee, before being circulated to the appropriate Members. The Vice Chair referred to the LSP "theme"

Champions. It was agreed that this issue be discussed further at the Overview Committee Meeting.

The Chair listed a number of other potential projects and the feasibility of progressing each one at this time. Discussion took place about concurrent functions with parish councils. Officers explained that the Council was in a process, but it could supply information to Members. The relationship with the Local Strategic Partnership (LSP), in terms of corporate governance and accountability was also raised. The LSP Constitution had just been reviewed, but this issue could be looked at in advance of next year's LSP Annual General Meeting. It was questioned how the Committee wished to progress this project with the Members who were this Council's representatives on the LSP.

With the Chair's approval, Councillor Harrington contributed to this item on the questions that could be asked of representatives. Members discussed the nature of the LSP, the role of scrutiny to ensure transparency and questioned whether a review was required.

The Deputy Chief Executive referred to a consultation from the Office of the Deputy Prime Minister (ODPM) on reviewing LSPs. This would be submitted to the March Council Meeting and if approved, the proposals would tie LSPs more closely to local authorities. Some partners might not be comfortable with this approach and might even withdraw from the LSP. The proposals could result in larger, County based LSPs in two tier areas. The Chair suggested that the Corporate Scrutiny Committee could add value to this review process. It was agreed that a special project be undertaken on the LSP's governance and accountability, using the outcome of the consultation from the ODPM to inform the exercise. Councillor Harrington questioned whether the issue needed to be considered by the Overview Committee. The Vice Chair suggested speaking to the Council representatives on the LSP to see if the review was worthwhile, before proceeding. The Chair stated the need to think about the Terms of Reference for the review and the angle of approach. He asked for Members thoughts on this by e-mail.

Councillor Atkin displayed a consultation leaflet from the Government Office for the East Midlands. Following this, there was a discussion about rural proofing and Officers explained the work undertaken to assess whether there was a difference in service levels between urban and rural areas. It had proved difficult to assess this from the information available. The Chair questioned whether research should be undertaken on this issue. It was suggested to look at this from a strategy and policy aspect initially. The Chair suggested thinking about Terms of Reference and asked for Members input, so that this issue could be discussed at the next Meeting.

S. MURPHY

CHAIR

The meeting terminated at 5.45 p.m.