

CORPORATE SCRUTINY COMMITTEE

4th August 2003

PRESENT:-

Labour Group

Councillor Murphy (Vice-Chair in the Chair) and Councillor Stone.

Conservative Group

Councillors Bale, Ford and Mrs. Hood.

In Attendance

Councillor Harrington (Labour Group).

APOLOGIES

Apologies for absence from the Meeting were received from Councillor Bell (Chair) and Councillor Mulgrew (Labour Group).

COS/9. **MINUTES**

The Open Minutes of the Meeting held on 16th June 2003 were taken as read, approved as a true record and signed by the Chair.

COS/10. **MEMBERS QUESTIONS AND REPORTS**

The Chair circulated copies of a leaflet that had been produced to provide information about the Overview and Scrutiny Committees. These would be circulated at each of the Council's Area Meetings and the Chair thanked Councillor Harrington for his input into the leaflet. The Chief Executive commented that the leaflets had been circulated at the Etwell and Repton Area Meetings the previous week and had been well received.

COS/11. **HUMAN RESOURCES MANAGEMENT BEST VALUE REVIEW**

The Scrutiny Committee received the final report for this Best Value Review. Its terms of reference were for a review of the whole of Personnel and Development Services, including a review of the policies and systems that supported performance management and the management of change throughout the Authority. The review was now complete and had gone through due process.

A baseline assessment had been prepared and challenged. The Review Team had drawn out the issues that it considered the Authority should address in relation to human resources and had evidenced how it had arrived at these recommendations. The key issues had been approved by the Finance and Management Committee in January 2002. They had now undergone an option appraisal exercise and proposals for action had been made and challenged.

A range of focus groups had been undertaken to consult with service users, Members and staff in the Division. The results had shown that Personnel and Development was an improving service.

The IIP interim assessment in June 2002 acknowledged the service improvements made. The assessor considered that the organisation had a forward looking and professional department. The Council had been awarded the Investors in People award in April 2003. At that time, the assessor confirmed her earlier positive views and recognised the further improvements made.

Joint working opportunities had been developed and continued to be progressed. A range of comparative data studies had been undertaken. The review team considered that the financial crisis in 1999 had an adverse impact on perception of the personnel service, which in turn made it difficult for the service to be compared.

An external reality check was required as part of the review process and this was concluded in October 2002. The Action Plan was completed and submitted to the Best Value Working Group for approval. Some delays occurred and as a result, several of the key tasks were implemented prior to the completion of the Review. This meant that the Action Plan had been reduced considerably. The follow up Focus Group in July 2003 provided some further suggestions for improvements that had been added to the Action Plan. The Review would no longer be inspected in isolation but included within the Comprehensive Performance Assessment. Ongoing monitoring processes for the Action Plan had been identified.

The Chair sought further information about the management of sickness absence. The Personnel Officer and the Employee Development Officer present at the Meeting explained the aims of this policy and the training provided to managers. Additional leave initiatives had been introduced to avoid the need for staff to use sickness absence, unless they were genuinely ill. Reference was made to the support provided by Occupational Health and there was a need to market this proactively as a service that could help employees.

The Chief Executive felt that the policy was fair, that it provided equity amongst all employees and that it would help to improve staff morale, with absence statistics reducing over time. The Personnel Officer considered that trade unions had a supporting role in reaffirming the positive aspects of this policy.

In response to a Members' question, it was explained that there were four trade unions which employees of the Council were members of. The consultation arrangements provided for a Joint Negotiating Group and a Joint Consultative Committee, which involved Members and made recommendations to a Policy Committee.

It was questioned whether the staff newsletter should be reintroduced. Officers explained the format and typical content of the "Inside Out" newsletter. This document was still used to communicate policies and staff news, but the weekly Core Brief now provided more frequent information. The Chief Executive confirmed that the Management Team was meeting with staff on 27th August 2003. This was to seek feedback on the Core Brief and to consult on the Comprehensive Performance Assessment (CPA) process. One message from the CPA team had been the need for the

Council to recognise its successes. It was suggested that staff with exemplary attendance should be recognised.

With the approval of the Chair, Councillor Harrington spoke to this item and he sought information about equal opportunities monitoring. The Personnel Officer explained the monitoring which took place at each stage of the recruitment process. There was limited monitoring of equal opportunities in service delivery. Details were provided of a newly formed, cross department working group that had been charged with looking at equal opportunities and producing an action plan to achieve standards throughout the Council.

The Chief Executive recognised the improvements made within the Personnel and Development service and the opportunities for further improvements in the future. The Chair thanked the Personnel Officer and the Employee Development Officer for their attendance.

COS/12. **ASSET MANAGEMENT BEST VALUE REVIEW AND ASSET MANAGEMENT PLAN**

The Economic Development Manager circulated a copy of the Asset Management Best Value Improvement Plan. This document had been approved by the Finance and Management Committee and was concerned with strategic asset management issues. Over the last six months, a number of the identified issues had been implemented. Currently, the transfer of asset management responsibilities to a single committee was being progressed. Access audits would be undertaken and this would lead to the preparation of a programme of required works. In conjunction with the Personnel Division, a home working policy was being prepared. The Economic Development Manager also referred to Corporate Property Strategy which would give direction to the Council on how it held, reviewed and managed its assets. He felt that the Improvement Plan was broadly on timetable, although there had been slippage in some areas.

The Council was required to submit an annual Asset Management Plan (AMP) to the Government Office for the East Midlands and the 2003 submission had been made the previous week. The Government Office would assess the document, apply a rating and funding would be allocated via the Single Capital Pot, dependent on the rating awarded. Previously, the Council's AMP had been considered "satisfactory", but it was hoped this year to achieve a "good" rating. If this was achieved, the Council would not be required to submit the AMP each year. The Economic Development Manager confirmed that the AMP and Best Value Review were interlinked.

A question was submitted about home working. The Economic Development Manager explained that there was some reluctance amongst managers to progress this initiative as it was feared that service delivery to customers could reduce. Mobile working might be appropriate for certain officers who spent the majority of their working day away from the Civic Offices. Examples included Environmental Health, Building Control and certain Revenue Officers.

The Chair asked whether the AMP had stemmed from the Corporate Plan or been developed around the assets held. The Economic Development Manager explained that the Government Office provided clear guidance on

the content of AMP's. The document was scored against these criteria. However, it was linked to the Corporate Plan. There were a number of performance indicators which also had to be reported against.

COS/13. **CAPITAL STRATEGY**

The Chief Finance Officer circulated copies of the 2002 Capital Strategy. Like the Asset Management Plan, the document had been submitted to the Government Office for the East Midlands. The 2002 Capital Strategy had been assessed as "good", so there was no requirement to submit a document this year. An outline was given of the key capital investment priorities, being housing, regeneration, leisure/tourism, crime and disorder and E-Government. A Working Group met periodically to monitor projects and the progress made. The Capital Strategy required responsible bidding that the Council could sustain. It included examination of other procurement options such as partnership arrangements. The document recognised the value of partnership working with others to boost the limited capital resources available.

The Chief Finance Officer spoke of the budget consultation arrangements including use of the six area meetings, to aid prioritisation of development bids. He also referred to performance measurement of outputs and those cross cutting activities such as crime and disorder and E-Government. There was a need to update the capital strategy document, to recognise the Local Strategic Partnership (LSP) and in particular, the aspirations of other organisations within that Partnership.

A Member asked whether the LSP might influence a review of the Council's capital investment priorities. This was difficult to predict, but it was possible that other partners would afford different priorities to those identified previously.

COS/14. **RISK MANAGEMENT (DISTRICT AUDIT REPORT)**

It was reported that in the last two years, the Council's external auditors had focused heavily on risk management arrangements. In 2001, the Auditors undertook a detailed study of risk management and revisited this work during 2002. The results of this exercise were appended to the report.

The Chief Finance Officer stressed that it was important to be aware that risk management was not just about insurable risks. Nevertheless, it was an important part of risk management, as Council insurance premiums continued to rise above the rate of inflation. Risk management extended beyond financial risks to areas where the Council's reputation could be damaged and the quality of services be affected. An example of this was sickness absence. This was not an insurable risk, but high levels of staff absence could affect the delivery of services or lead to higher costs, through employing temporary staff to cover posts. Failure to plan adequately for the future could mean that the Council faced the risk of significant spending reductions, if its income did not match its future spending. So far, the Council had established an authority-wide risk management group, gained Member approval for the risk management policy statement and identified key risk areas. It had also begun the process of assessing these risk areas and what could be done to minimise them.

The Chair spoke about the link between risk management and the assessment of service development bids. The Chief Finance Officer explained the plans to adapt Council-wide risk management and cascade it to each Division, so that it could be included within Service Plans, be monitored and reported to Members.

A Member asked about Service Level Agreements (SLA's) and how these were reviewed with partners. Typically, the SLA would specify the review terms. The Council's use of SLA's was limited but it was noted that such "arms length" arrangements could themselves present a further risk management issue, in that they were more difficult to manage. It was confirmed that the Corporate Management Team was now represented on the Risk Management Group.

COS/15. **CORPORATE AND SERVICE PLANNING FRAMEWORK**

The Policy and Best Value Manager provided a brief update. At present, the Council had a system of annual review for Service Plans and the Corporate Plan. The Government had now issued guidance by Circular which indicated that local authorities should produce three year performance plans. There would be a need to alter the Service Plan and Corporate Plan to provide this three year focus. It was felt that the format could be made more user friendly and there was a need to recognise risk management elements and the Comprehensive Performance Assessment. In essence, some fine tuning would take place to the format of these documents. Divisional Managers would look at this issue and provide a report to the Corporate Management Team. The Chief Finance Officer added that these documents needed to be useful to managers to assist them to manage their service whilst also providing useful information to Members.

COS/16. **WORK PROGRAMME**

The Scrutiny Committee considered the Work Programme for the coming months. Details were provided of those Best Value Reviews, policy framework documents and special projects proposed for consideration. It was noted that the special project to review the scoring of service developments and capital projects had been delayed until the next Meeting. A proposed additional item for the next meeting was to consider the extent to which policy committees had acted on the recommendations of scrutiny committees.

With regard to reality checks for the Comprehensive Performance Assessment, it had been suggested that the Scrutiny Committee could look at the issue of benefit fraud. It was proposed to convene an additional meeting of the Scrutiny Committee for this purpose in early October and the Clerk agreed to liaise with Members to agree a date for this Meeting.

S. MURPHY

CHAIR

The Meeting terminated at 5.05 p.m.