

Minutes of the meeting of Scrutiny Management Board held at Conference Room 1 - Herefordshire Council, Plough Lane Offices, Hereford, HR4 0LE on Tuesday 14 May 2024 at 2.00 pm

Present: Councillor Jenny Bartlett (Acting Chairperson)

Councillors: Bruce Baker, Ellie Chowns, Simeon Cole, Frank Cornthwaite, Pauline Crockett, Clare Davies (substitute), Toni Fagan, Rob Owens, Louis Stark and Richard Thomas

Present Remotely: Councillor Liz Harvey

In attendance: John Coleman (Democratic Services Manager), Rachael Hart (Head of Strategic Finance), Councillor Jonathan Lester (Leader of the Council), A Lovegrove (Director of Resources and Assurance), Alfie Rees-Glinos (Governance Support Assistant), Councillor Pete Stoddart (Cabinet Member Finance and Corporate Services), Councillor Elissa Swinglehurst (Cabinet Member Environment).

63. APOLOGIES FOR ABSENCE

Apologies for absence had been received from Councillor Peter Hamblin, Councillor Bob Matthews and Councillor Rob Williams.

64. NAMED SUBSTITUTES

Councillor Clare Davies was present as a named substitute for Councillor Bob Matthews.

65. DECLARATIONS OF INTEREST

No declarations of interest were made.

66. MINUTES

Resolved:

That the minutes of the meeting held on 19 March 2024 be confirmed as a correct record and be signed by the Chairperson.

67. QUESTIONS FROM MEMBERS OF THE PUBLIC

No questions were received from members of the public.

68. QUESTIONS FROM COUNCILLORS

No questions were received from councillors.

69. HEREFORDSHIRE COUNCIL PLAN - FINDINGS OF THE BOARD WORKING GROUP

The Chair introduced the report, which detailed the findings of the working group that had been set up by the board in order to track the Council Plan and contribute to its development.

The Chair invited comments from the board members in relation to the report. The principal points of discussion are summarised below:

1. The board raised concerns about the language used regarding the Council's commitment to the declared climate and ecological emergency and queried whether the commitment to tackling climate change was less robust than that of the ecological crisis in the rivers.
 - The Cabinet Member Environment gave an assurance that the Council was fully and equally committed to addressing climate change/net zero and ecological issues impacting local rivers, but noted that these were serious challenges and warned against using language that overpromised. It was stated that these were issues that would require effort and endeavour and this was conveyed in the choice of language used in the plan.
2. The board welcomed the three themes of 'people, place and growth' that ran through the plan, but raised concerns about the use of the word 'ensure' being used in circumstances where pledges, commitments and promises could not necessarily be ensured.
 - The Leader of the Council acknowledged the concerns and noted that certain choices were down to partnerships and individuals to make. The Leader suggested that an alternative word such as enable could be used instead of ensure.
 - The Leader suggested that the content of the plan could be adjusted to make it clear that the Council would ensure that opportunities were there for people to take, but that ensuring people took those opportunities was a matter of choice for each individual.
3. The board suggested that the item would have been more productive if it had been used to focus on which findings from the working group had been incorporated into the Council Plan that was due to go to Cabinet on Thursday 16 May 2024, rather than being asked just to note the findings of the working group.
4. The board raised concerns that the Delivery Plan was unbalanced and was 'Hereford rather than Herefordshire' focused.
5. The Chair noted that the Delivery Plan was coming to Cabinet on 27 June 2024 and that it would be useful to be able to take a look at it again.
 - The Leader of the Council noted that the board's working group had focused on the Council Plan and had only had limited time to view the Delivery Plan. However, some board members had been able to add tracked changes to the Delivery Plan, these had been implemented to allow for the creation of a new draft of the Delivery Plan. The Leader hoped to bring the new draft of the Delivery Plan to a Political Group Consultation, which would allow members to see that the deliverables had been tightened up in a clear and concise way.
 - The Leader suggested that, if possible, the Delivery Plan could be put before the Scrutiny Management Board again in some fashion before it went to cabinet on 27 June 2024.

6. The board reiterated its frustration at not knowing which findings on the Council Plan from the working group had been implemented in the final version. It was noted that the papers for the Council Plan were in the public domain, but not in the board meeting agenda papers, which left the board in a 'quandary'.
 - The Cabinet Member Finance and Corporate Services assured the board that wide consultation had taken place during the development of the plan and that members of the board's working group would be able to see many of its findings incorporated into the document.
 - Regarding the discussion around focus and resources directed at Hereford and Herefordshire, it was stated by the Cabinet Member Finance and Corporate Services that this was an ongoing debate.
7. The board raised concerns around potential accessibility issues when reading the plan on certain devices.
 - The Cabinet Member Finance and Corporate Services assured the board that the plan would be optimised for multiple devices.
8. The board considered and discussed whether to set up a working group to look at the Delivery Plan before it went to Cabinet and if an extraordinary meeting of the board should be held, so that formal recommendations based on the working group's findings could potentially be sent to Cabinet.
9. The board was presented with a set of recommendations for the Council and Delivery Plans based on findings from the board's working group.

Following debate and discussion, the board unanimously agreed the following recommendations:

Resolved that:

- a. **The board agree the report and;**
- b. **The board make any recommendation for delivery of;**
 - i. **the draft Herefordshire Council Plan;**
 - ii. **the draft Herefordshire Council Plan delivery plan; and**
 - iii. **future iterations of the draft Herefordshire Council Plan delivery plan.**
- c. **The Delivery Plan comes back to a working group of the Scrutiny Management Board before it goes to Cabinet on 27 June 2024**

That Herefordshire Council notes the following recommendations for Council and Delivery Plans:

- d. **If the ambition of the County Plan is to be scaled back to focus on the work only of the Council itself, that a broader and longer term County Strategy/Plan be developed with input from partners and stakeholders to guide action and investment.**
- e. **The County Plan recognise the increasing importance of partners and partnership working to the operation of the council.**
- f. **The Council Plan should be aligned in resource terms with the Medium Term Financial Strategy**
- g. **The County and Delivery Plans should be clear in showing how council resources and effort is spread fairly across city, market town and rural communities.**

- h. Council 'Transformation' is a means to an end, not an end in itself. It should be explained primarily in terms of its beneficial impact on residents and communities.
- i. The Delivery Plan should contain real, tangible in-year deliverables which progress and support the stated objectives
- j. Deliverables should be SMART (Specific, Measurable, Achievable, Realistic, Timely) and should relate to tangible items that are deliverable within that financial year
- k. The Delivery Plan should follow the structure and sequencing of the Council Plan to make it straightforward to follow
- l. Plain language should be adopted throughout to ensure the documents are accessible to and understandable by all
- m. The importance of tackling river pollution should be more evident
- n. The importance of improving life for children and families should be more evident

Herefordshire Council notes the following recommendations for future planning cycles:

- o. The Council Plan should be aligned in resource terms with the Medium Term Financial Strategy
- p. The Delivery Plan for the following year should be drafted alongside the development of the budget for that financial year
- q. Deliverables should be SMART (Specific, Measurable, Achievable, Realistic, Timely) and should relate to tangible items that are deliverable within that financial year.

70. FINANCIAL STRATEGY WORK PROGRAMME

The report was introduced to the board, with particular attention being paid to the 'Scrutiny Management Board Potential Areas of Focus' table set out at Appendix 1. An overview was provided of the key topics of focus:

- Reserves Policy
- Service Savings Plans
- Budget Consultation
- Delivery of Capital Programme
- Income and Charging
- Quarterly Outturns
- Treasury Management
- Budget Scrutiny

It was explained that the report had been informed by guidance set out by the CfGS (Centre for Governance and Scrutiny) detailing how scrutiny boards and committees should be undertaking financial scrutiny of a councils' financial operations and budget development cycles.

The Chair invited the board to discuss and comment on the report. The principal points of discussion are summarised below:

1. A board member suggested that scrutinising budgets and account management on a quarterly basis was not frequent enough and should be being carried out on more regular basis.

- The Cabinet Member Finance and Corporate Services welcomed the board's interest in the finance portfolio and noted that finance was included in seven of the board's scheduled meetings. The Cabinet Member suggested that this might indicate potential mission creep and noted that the board did have other responsibilities outside of the area of finance.
2. The board members considered and discussed the potential need for a standing panel made up of members, who would track and follow the financial delivery of the Council by meeting up to review published quarterly reports and other financial documents - with a view to determining which appropriate topics could be drawn from the reports for the Scrutiny Management Board to address. It was suggested that the panel could also monitor monthly budget reports coming out of each of the directorates.
 3. The board considered what additional training would be required by members, especially in relation to the scrutiny of financial items.

Action: The Head of Strategic Finance stated that they could produce some suggestions about training and topic briefings aligned to the Board's work programme.

4. A board member contemplated whether items relating to savings within directorates could be delegated to the other scrutiny committees, which might remove some of the financial load identified earlier by the Cabinet Member Finance and Corporate Services.
5. A board member suggested a potential recommendation that officers and the Cabinet look at other authorities to see what their financial plans were and how they shaped their revenue budgets in terms of the allocations that were made across the areas they were responsible for.
6. The board raised concerns around the number of authorities and councils facing financial difficulties and going bankrupt and sought assurance that Herefordshire Council was in a stable financial position.
7. In response to the suggestion that the work programme was finance-heavy, a board member pointed out that the item being discussed was the financial strategy work programme, and that the board had its own work programme that would include non-financial topics and items. It was suggested that some of the financial topics being discussed in the item might not be included in the board's final work programme.
8. The board noted that there was potential for problems to arise from a lack of alignment between its bimonthly meetings and the publication of quarterly budget reports, and stressed the need to align meetings with the financial calendar.
9. A board member suggested that the Financial Strategy Work Programme be accepted as it was and that finer details within it could be debated and discussed in future meetings and work programming sessions.

The Board discussed the recommendations in the report and those that had been put forward during the meeting and unanimously approved the following recommendations:

Resolved

That:

- a) **Scrutiny Management Board considers the draft terms of reference and work programme for scrutinising financial strategy and budget setting, and makes any amendments it wishes;**

The committee considers

- I. **Establishing the principal of a standing panel (with ToR developed for agreement at the July SMB meeting)**
- b) **identifies topics of focus for the committee's work**
 - I. **Officers to produce a benchmarking analysis of budget setting alongside our statistical neighbours.**
- c) **further identifies training or topic briefing required to support their work**
- d) **Scrutiny Management Board adopts the draft terms of reference and work programme for scrutinising financial strategy and budget setting.**

71. SCRUTINY ANNUAL REPORT

The board heard that the Scrutiny Annual Report would be available at the next board meeting.

The board expressed its wish for the Scrutiny Annual Report to include a section on the timeliness of reports coming to committees and the requirement for members of the public and councillors to have reasonable time to submit questions relating to reports and papers.

The board agreed to defer the item until its next meeting.

Resolved:

That the item be deferred until the next meeting of the board.

72. WORK PROGRAMME

A discussion took place about the remit of the Scrutiny Management Board with reference to Herefordshire Council Constitution.

The board agreed to defer the item and hold a dedicated session before the next meeting to discuss the content of the work programme in greater detail.

The board agreed that the work programme item should always include the latest version of the Herefordshire Council Forward Plan.

The board agreed that the work programme items should include a progress sheet/action tracker detailing responses and feedback from recommendations and actions.

The board suggested that partnership working between the four counties should be added to the work programme list of topics.

Resolved:

That the work programme item be deferred until the board had discussed it in detail as part of a work programme planning session to be held before the board's next scheduled meeting.

73. DATE OF THE NEXT MEETING

Tuesday 16 July 2024 2pm

The meeting ended at 16:07

Chairperson