

MINUTES of the meeting of Strategic Monitoring Committee held at The Council Chamber, Brockington, 35 Hafod Road, Hereford on Monday, 17th September, 2007 at 10.00 a.m.

Present: Councillor PJ Edwards (Chairman)
Councillor WLS Bowen (Vice Chairman)

Councillors: WU Attfield, SPA Daniels, RI Matthews, SJ Robertson,
RH Smith and JK Swinburne

In attendance: Councillors H Bramer, GFM Dawe and JP French

18. APOLOGIES FOR ABSENCE

Apologies were received from Councillors PA Andrews, KG Grumbley and TM James and from Councillor R.J. Phillips.

19. DECLARATIONS OF INTEREST

Councillors PJ Edwards and RH Smith declared a personal interest in agenda item 9: Work programme Update, as Council appointees to the Joint Member Waste Forum.

20. MINUTES

RESOLVED: that the Minutes of the meeting held on 16th July, 2007 be confirmed as a correct record and signed by the Chairman.

21. SUGGESTIONS FROM MEMBERS OF THE PUBLIC ON ISSUES FOR FUTURE SCRUTINY

The following two suggestions were received from Members of the public:

Suggestion 1

A member of the public referred to the call-in by the Environment Scrutiny Committee of Cabinet's decision on 6th September on the subject of Rotherwas Archaeology: options for completion of the Ribbon and completion of the Rotherwas Access Road.

He referred to his correspondence with the Chairman of the Committee and suggested that given the Committee's overarching role in managing the operation of the Scrutiny Committees the Strategic Monitoring Committee should review any decision made and the procedure followed. He made a number of remarks in support of his view that a rigorous enquiry was needed to look at how the matter had been handled.

The Chairman summarised the request as a wish for the Committee to review the process. Consideration would be given to whether this issue should form part of the work programme.

A Member sought clarification on whether the Environment Scrutiny Committee had to consider the call-in of the Cabinet decision and determine its response within 10 working days.

The Head of Legal and Democratic Services said that in general the timeframe of 10 working days in which to consider a call-in and determine a response was appropriate, unless there was a specific reason for not doing so, for example if a key expert was unavailable to attend. In that case the Committee may formally decide to adjourn but this could not be an open ended adjournment.

The matter had been called in by the Environment Scrutiny Committee and it was proper that that Committee dealt with the matter. This did not prevent the Strategic Monitoring Committee looking at the matter and reviewing it.

Suggestion 2

It was suggested that there appeared to be a lack of consistency in the Council's definition of senior citizens in its policy documents. As an example a bus pass was available to people aged 60 whereas to be eligible for the concessionary parking scheme people had to be aged 65. It was requested that this issue should be investigated.

22. INTEGRATED PERFORMANCE REPORT

The Committee considered the Integrated Performance Report (IPR) on performance to the end of **July 2007** against the Annual Operating Plan 2007-08, national performance indicators used externally to measure the performance of the council, together with performance against revenue and capital budgets and corporate risks, and remedial action to address areas of under-performance.

Performance Against Performance Indicators

The Head of Policy and Performance presented the section of the report on performance indicators. He explained the revised format and the intention to seek to make further improvements to the way the performance information was presented.

Referring to the opening paragraphs of the IPR he noted the performance highlights as set out in the report. He drew attention to the upturn in performance of the benefits service and favourable feedback from the Government Office West Midlands on the end of year review of the Local Area Agreement.

He noted that 13 of the 16 indicators marked as red (not on target) were under the Council priority: maximising the health, safety, economic well being, achievement and contribution of every child. Of these 8 targets involved the Primary Care Trust. A meeting scheduled with the Trust on 7 September to give final consideration to the Teenage Lifestyle Survey and agree the indicators for measurement in the coming year had not taken place. The Trust had, however, indicated that they would meet and resolve matters at a more recent meeting of the Herefordshire Partnership performance management group.

In the course of discussion the following principal points were made (page references are to pages of the IPR circulated as a separate document):

- (p16/17) a question was asked about a number of indicators with a baseline, no target but still with a direction of travel. The Head of Policy and Performance commented that the reasons for the lack of a target were being followed up. The relevant directorates had supplied the information on the direction of travel.

There was no reason why targets should not be provided in all appropriate cases. In fact targets should have been set by April.

- (p17 - 89b) It was noted that performance on the number on the child protection register per 10,000 population under 18 was currently below target. In reply the Committee was informed that if the Council had a lower number of children on the register than might on average be expected this could imply that not all potential cases were being identified and children were potentially at risk. However, if too many were being recorded this could imply an unsatisfactory regulatory framework.
- Attention was drawn to the absence of performance templates for a number of indicators. The Head of Policy and Performance replied that it was expected that these would have been completed by the time the next IPR was produced.
- (p3) Progress against the target for the average length of stay in B&B accommodation for homeless households was questioned. In reply it was noted that whilst the Government target of zero would not be achieved in the short term there had been significant success in moving homeless households out of temporary accommodation.
- (p9 – 89b HC – percentage of initial assessments within 7 working days of referral). A question was asked about performance against this target. It was noted that the commentary alongside the indicator, whilst outlining capacity in the Referral Assessment Team remained a pressure point, stated that the target which had been set remained the aim.

The Cabinet Member (Children's Services) reported that the issue was being treated with the utmost urgency.

- In response to a further question about recruitment it was noted that the recruitment of 8 additional Social Workers had been approved and previously reported. There was, however, a difficulty nationally in recruiting social work staff.

Whilst acknowledging the efforts which had been made and continued to be made the Committee remained concerned about the recruitment of social workers and the need to ensure that all vacancies are filled.

- (p12) It was asked whether sickness absence was a problem in any particular directorate. The Head of Human Resources reported that there had been improvements across all directorates and all were now performing well against this indicator.
- (p13 and 14) Members drew attention to the number of targets where data was not available and there was no evidence of direction of travel.
- It was also requested that where data was to be reported annually, as was the case for a number of indicators, it should be made clear when that reporting date would actually happen.
- that it should be made clear in the IPR whether good performance was shown by performance being above or below the relevant performance indicator target.
- In relation to a number of adult social care financial indicators listed on page 14 the Head of Financial Services said that a reorganisation of financial services

staff within adult social services was taking place which should improve the timely collection of data. He reassured the Committee that monitoring of performance against the forecast was taking place and that when suitable systems are in place in year financial indicators will be brought forward as part of future monitoring.

- The need for clarity in the description of each indicator was noted, whilst acknowledging the desire for descriptions to be brief.
- The absence of a commentary on appendix b explaining why performance was or was not on track was noted.
- (p20/21) the absence of evidence to support a number of performance indicators for Children's Services and the direction of travel was highlighted. It was noted that the Area Performance Assessment was due shortly. It was asked whether all the necessary data would be available for the inspectorate. The Cabinet Member (Children's Services) said that a concerted effort was being made to ensure that this was the case.
- (P26) A question was asked about target 79b ii on the recovery of housing benefit overpayments. The Director of Resources undertook to check and confirm progress.
- It was suggested that key officers might need to be invited to future meetings to assist the Committee in considering the detail of some of the indicators.

In summary the Committee recognised the format of the Integrated Performance Report was evolving and the efforts being made to improve its presentation to make it an effective performance management tool for Members. In addition to the detailed points made above the Committee remained concerned that a number of performance templates remained to be completed. It emphasised the need to ensure that these are completed as a priority before the year to which they relate to permit proper performance management to take place.

Revenue and Capital Budgets and Corporate Risks

The Head of Financial Services presented the section of the report on the revenue and capital budgets and corporate risks.

He reported that the net projected overspend was currently £2.536 million. This was of concern given the potential implications for 2008/09 and the likelihood of a poor Comprehensive Spending Review Settlement for local government.

The report set out the position on each Directorate's budget and the Head of Financial Services commented on each section in turn identifying areas of budget pressures as set out in the report.

In the course of discussion the following principal points were made:

- That the presentation of the revenue budget should include the budgets for the year to enable the significance of budget variations to be more clearly understood and comparisons readily drawn.
- Considerable concern was expressed about the projected overspend on the revenue budget, the questions this raised about how realistic the budget was and the need for Cabinet to ensure that the position was not simply being accepted

and that budgets were being firmly and effectively managed with plans in place to ensure budget compliance.

- It was recognised that the budgets in Adult Social Care and Children's Services were susceptible to unforeseen pressures.
- Concern was expressed about the pressures in ICT Services, notably the holding of vacancies to offset an overspend, the considerable non-staff costs that had not been budgeted for, as described in paragraph 35 of the report, and the full revenue impact of the Community network had yet to be established, noting that the Head of Financial Services had indicated this was estimated to be about £1million after a contribution from the Children and Young People's Directorate. There still seemed to be uncertainty over the full extent of the financial pressures.
- The Director of Resources commented that the financial strategy had been developed to address the funding of the base budget. Social care had experienced overspends in 2004/05 and 2005/06. In 2006/07 resources had been added to the base budget for those services and a contingency sum for social care had also been established. This had been backed up by work on needs analysis. All directorates were being encouraged to modernise and reduce expenditure. The updated financial strategy and service priorities would be presented to the Committee soon.

She would continue to report her concerns about the growing pressures and the problems that lay ahead in meeting continual overspends.

Asked to comment further on the extent of her concern she said that the Corporate Management Board (CMB) was aware of the budget pressures and the need to provide services within the agreed cost. CMB had been told that clear plans needed to be in place stating how each service would be delivered within the resource base.

The Head of Financial Services added that with the adult social care finance staff now part of the Resources Directorate a clearer picture of the pressures in that area was being established but it was a complex picture and a lot of work needed to be done to address the issues.

- It was noted that the costs incurred as a result of summer flooding of a number of schools, estimated at £930,000 were not recoverable under the Government's Bellwin Scheme. This was because the risk was viewed as insurable. The Council had decided to self-insure some years ago setting aside £250,000 to meet the risk. In response to a request that the policy of self-insurance be reviewed the Head of Financial Services said this would be part of the corporate risk management approach. Discussions would also take place with schools on a case by case basis, noting the levels of balances they were holding. The Committee noted that the process for insuring schools against risk was being re-examined and would be the subject of further report.
- In relation to the capital budget the Head of Financial Services reported that there was already evidence of slippage in the programme. He reported that further clarification would be provided in future reports on the funding of the Capital Programme.
- In relation to the corporate risk register the Head of Financial Services added that work was continuing to respond to the points made by the Committee at its last meeting on the Register's content and presentation.

- In response to a question the Director of Resources reported that a report on Strategic Options for the accommodation Strategy would not now be ready in October as the report indicated. It was now expected to be ready by the end of December 2007 with further work then being carried out up to the end of March 2008. Concern was expressed by Members at the delay in reporting on this issue.
- Asked about the savings targets for the Herefordshire Connects Project the Director of Resources said that the original targets had been reviewed and she now considered the targets more deliverable and sounder. The expectation was that savings would be lower than originally estimated by AXON, the business transformation consultancy, and delivered over a longer timescale.
- It was requested that local constituents be briefed on the design of the new livestock market.

RESOLVED:

- That (a) Cabinet be advised of the Committee's comments and concerns as set out above;**
- (b) no issues be specifically referred to other Scrutiny Committees at this stage;**
- and**
- (c) a report be made to the Committee on the review of the approach for insuring schools against risk.**

(The meeting adjourned between 11.55 am and 12.00 noon.)

23. EMPLOYEE OPINION SURVEY 2007

The Committee considered the results of the Employee Opinion Survey 2007.

The Head of Human Resources presented the report. He highlighted the improved response rate which at 53% was well in excess of the 43% average response rate for local government surveys. The responses in general also showed marked improvements in the perception of employees over the areas covered by the survey questions. Trends showing key differences in opinions from the 2006 and 2005 surveys were set out in appendix 1. Appendix 2 set out a comparison with local government benchmark data.

He concluded by emphasising the importance of taking action in response to the survey's findings. Directorates would receive detailed reports to enable them to respond.

In the course of discussion the following principal points made:

- Asked about comparative information, in particular with the private sector, he said that there was a vast amount of information available but the Council relied on the local government benchmark data provided by the Opinion Research Corporation.
- The views expressed about senior management were discussed. The Head of Human Resources clarified that 51% now felt valued by senior management,

36% disagreed and 13% were unable to agree or disagree.

- Whilst 77% agreed that they had adequate training for their job this meant a proportion was not satisfied. It was important to avoid complacency. In reply the Head of Human Resources said that year on year improvements in responses showed that there had not been complacency. The forthcoming work to secure Investors in People accreditation would ensure the engagement of the workforce.
- Regarding bullying the Head of Human Resources said that the detailed directorate reports would identify where the difficulty lay.
- Asked about the finding that 36% disagreed that action would be taken as a result of the survey the Head of Human Resources identified communication as a key issue. He reiterated that action had been taken as a result of previous surveys. There was a need to remind employees of this and demonstrate what had been achieved.
- It was noted that the Council did not have a staff suggestion scheme policy. The view was that a focus on teams rather than individuals was perhaps embraced more by staff. There were opportunities for staff to express views through one to one meetings, the staff review and development process. This was also a feature of Investors in People.

The Chairman thanked Mr Johnson, Head of Human Resources, and congratulated him on his new appointment with the West Midlands Fire and Rescue Authority.

The Cabinet Member (Corporate and Customer Services and Human Resources) also formally thanked Mr Johnson and praised his achievements.

The Committee endorsed these remarks.

RESOLVED: that the report be noted.

24. OMBUDSMAN LETTER AND COMPLAINTS AND COMPLIMENTS MONITORING 2006/07

The Committee was asked to note the Ombudsman Annual Letter 2006/07 and the figures for complaints and compliments recorded, including compliments determined by the Local Government Ombudsman and the Complaints Panel for the year ended 31st March, 2007.

The report to Cabinet on 6th September was appended to the report.

The Head of Legal and Democratic Services presented the report. He highlighted several aspects where the Ombudsman had commented favourably on the Council's complaints handling arrangements, as set out in the report. No reports of maladministration had been issued. The Council was also well placed to move from the second quartile to the top quartile of authorities in terms of responding to enquiries from the Ombudsman's office within 28 days.

It was noted that the majority of complaints continued to relate to planning and building control issues.

RESOLVED: that the report be noted.

**25. SCRUTINY REVIEW OF ICT SERVICES - EXECUTIVE ACTION PLAN
PROGRESS REPORT**

The Committee considered progress in implementing the Executive's action plan.

The Acting Head of Service (ICT and Customer Services) presented the report. This provided an update on progress made since the executive's response had been presented to the Committee on 30th March, 2007. The Acting Head of Service commented on progress against each recommendation as set out in the report.

In the course of discussion the following principal points were made:

- Questioned about procurement of ICT equipment outside the approved arrangements through ICT Services the Acting Head of Service said that he was not aware of this now being an issue. Schools had the freedom to procure as they wished, but this did not provide them with the four year warranty and security of support afforded to them by procuring through ICT Services.
- The Cabinet Member (Corporate and Customer Services and Human Resources) reminded the Committee of previous discussions about the role of Members in enforcing disciplinary procedures in respect of procurement. The Director of Corporate and Customer Services reported that in consultation with Human Resources a number of related policies had been refreshed, for example internet usage.
- It was asked whether the relationship with schools had improved. The Director of Corporate and Customer Services replied that quarterly meetings were being held and she considered that the relationship was improving. She outlined progress in developing remote access for schools whilst noting that complex issues remained to be resolved. Progress was reviewed at the quarterly meetings. Service Level Agreements with schools had been issued on time, following consultation.
- Asked about ICT staffing the Acting Head of Service confirmed that the need for all permanent posts had been reviewed. The current structure was now considered adequate to deliver the service.
- A question was asked about three reviews to which the report appeared to refer: the work to a standard framework used by Red Island (the specialist agency) in relation to information security accreditation, a physical audit of ICT hardware across the authority, and work on desktop standardisation; and whether there was an inventory of all equipment. The Acting Head of Service replied that following the introduction of a procurement process in 2005 there was a good record of equipment. There was no record prior to that other than that which had been compiled in preparation for the millennium. The Director of Corporate and Customer Services added that the reviews referred to were not three separate reviews but interrelated pieces of work designed to establish clearly what equipment was held and move towards standardisation.
- Asked about the ICT Services budget the Acting Head of Service replied that work was ongoing to achieve a balanced budget by the year end. The Director of Corporate and Customer Services added that Service Level Agreements had been rolled out across all directorates. A zero based budgeting exercise had also been completed. Standardisation of desktops was an important element of reducing costs. Directorates would be charged for the number of desktops supported.

- The interlinkage of accommodation plans with ICT development was noted.
- The current arrangements for recycling used equipment were also discussed, noting that the contract with a voluntary sector organisation might need to be revisited to ensure that any joint arrangements with the primary Care Trust could also be accommodated.

RESOLVED

That (a) the report be noted;

and

(b) a further update be reported to the Committee in 3 months time.

26. WORK PROGRAMME UPDATE

(Councillors PJ Edwards and RH Smith declared personal interests in respect of the waste disposal issue on the programme)

The Committee considered its work programme.

The following principal points were made:

- That the Scrutiny function would expect to be involved both proactively in consideration of the review of the waste disposal strategy and in reviewing the outcome. It was proposed that the Environment Scrutiny Committee would lead on this issue.
- That the Committee required a report in October on quality of performance of the arms-length services recently purchased by Amey PLC to clarify performance baselines.
- A report on the Council's Smallholdings policy should be brought to its November meeting.
- Referring to the complaints about Planning and Building Control services noted in the Ombudsman's annual letter it was suggested the Committee should look at the reasons for the complaints and the way the services interacted with individuals which seemed to be one cause of concern. It was noted that the Head of Planning Services had reported to the Committee on this issue in January 2007 and an update was requested.
- The suggestions made by the members of the public at the start of the meeting in relation to the scrutiny process and age limits and eligibility for services were also noted for possible future consideration.

RESOLVED: That the work programme be amended to reflect the points above.