

MINUTES of the meeting of Strategic Monitoring Committee held at The Council Chamber, Brockington, 35 Hafod Road, Hereford on Monday, 21st January, 2008 at 10.00 a.m.

Present: Councillor PJ Edwards (Chairman)

Councillors: TM James, SJ Robertson, RH Smith and JK Swinburne

In attendance: Councillors MD Lloyd-Hayes and AT Oliver

49. APOLOGIES FOR ABSENCE

Apologies were received from Councillors PA Andrews, WLS Bowen, KG Grumbley and RI Matthews.

50. DECLARATIONS OF INTEREST

There were no declarations of interest.

51. MINUTES

Attention was drawn to a spelling mistake and punctuation error on page 3 of the Minutes, as printed in the agenda papers. A corrected page was provided for signature.

RESOLVED: That the Minutes of the meeting held on 19th November, 2007, as corrected at page 3, be approved as a correct record and signed by the Chairman.

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

A member of the public expressed the wish to add to the written question he had submitted on the report on the May 2007 elections.

He informed the Committee that it was Herefordshire Association of Local Councils' view that election costs should in future be met in full by Herefordshire Council and asked that the Committee consider this point.

The Head of Legal and Democratic Services noted that the legal requirement was that local government bodies should meet the cost of their own elections. The Council currently met 50% of the costs of elections to Town and Parish Councils.

53. INTEGRATED PERFORMANCE AND FINANCE REPORT

The Committee considered the Council's performance for the first eight months of 2007-08 against the Annual Operating Plan 2007-08 and national performance indicators used externally to measure the performance of the Council; partnership performance for the first six months in delivering the Local Public Service

Agreement, Local Area Agreement and Herefordshire Community Strategy; and performance against revenue and capital budgets and corporate risks, and remedial action to address areas of under-performance.

Performance against Performance Indicators

The Corporate Policy and Research Manager (CPRM) presented this section of the report, summarising progress.

He reported a slight increase in the number of red indicators (not on target) and those marked green (on target or met target) since the last report.

He provided an update on progress in identifying an agreed set of defined indicators and targets for measures of healthy teenage lifestyles, an issue highlighted by the Committee in November 2007. He reported that a set of proxy indicators had been developed for consideration by the Director of Children's Services prior to submission to the Children's Trust Board and the Herefordshire Partnership Performance Management Group. Subject to their consideration, these would be included in future IPRs.

He also updated the Committee on the percentage of children on the child protection register that are re-registrations (26 HCS), which had improved significantly in the third quarter; the % of 15 year-old pupils achieving 5 or more GCSEs at grades A* - G or equivalent, including English and Maths (30 HCS) and the number of half-day sessions missed by looked after children as a % of total number of sessions in primary schools (35b HCS) – in both cases, although the target had not been achieved, performance had improved compared with the previous year; and the completion rate of initial assessments of children in need within 7 working days of referral (89b HC), where third quarter out-turn had improved compared with quarter two.

He also referred to the apparent stabilisation in the number of referrals of children in need (89a HC) at around 240 to 245. Although the necessarily tentative target set following the 2005 Joint Area Review had been 280, there were no longer concerns about the thresholds for referrals and the level being achieved was regarded as within the acceptable range.

He drew attention to the findings of the satisfaction survey 2007, the results of which had been taken into account in the IPR, noting that the survey was something to which the Committee might wish to give further consideration. In summary there were few significant changes since the previous year's General Survey. Performance against a few perception indicators had declined but there had also been improved performance against some others. Work was underway to examine in detail what underlay areas where public satisfaction was relatively low or had declined.

He added that a new national survey was being introduced in September 2008. This would be a place survey focusing on citizens' perceptions in relation to quality of life and outcomes.

He reported that the Audit Commission would publish the 2007 Comprehensive Performance Assessment (CPA) score in February 2008. The Council's direction of travel seemed likely to be classed by the Audit Commission as continuing to be in the category of "improving adequately".

Looking forward to the equivalent 2008 assessment, which would be published in early 2009, the current data showed that 62% of indicators were on course to

improve, but 25% to be worse than last year.

The overall CPA score was expected to show a fall from 3* to 2*. The CPRM explained the reasons for the change. This was the result of an expected change in the score for housing from 2 to 1 because of a one-year change in the selection of housing performance indicators used in the Audit Commission's assessment. This was against the background of performance having improved in some respects against the overall suite of indicators previously assessed.

As a result of a proposed further one-year change in the housing indicators to be used for this Audit Commission assessment in 2008, if nothing significant changed in the housing performance in 2007/08 the score was expected to increase to 3.

He added that if housing were to be scored 3 in 2008 and all other service scores were to stay at their expected 2007 level, the overall Council score would fall to 2 because the protection for the 2002 Corporate Assessment score of 3 was to end and the 2005 Corporate Assessment score of 2 to come into play.

In the ensuing discussion the following principal points were made (page references are to pages of the Integrated Performance and Finance Report (IPR) circulated as a separate document.)

- The time it was taking to establish some baselines and targets was questioned. The CPRM said that the Council and Partners were becoming more disciplined in this respect. He commented on the importance, having established a baseline and target, of measuring performance in-year. He noted that there were a number of targets where the performance figure itself was only measured annually and a way had to be found of tracking progress against those targets, for instance by means of proxy indicators or timetabled actions that were necessary to improve performance. There had in the past been Government pressure to adopt particular indicators for the Local Public Service Agreement and the Local Area Agreement that had led to there being some in respect of which there had not been baselines on the basis of which targets could be set. This deficiency had now been addressed in the majority of cases but there were a significant few where baselines and targets had not yet been established. Members reiterated the importance of ensuring that there were baselines established and targets set in a timely manner.
- (p18 89 HC) The completion rate of initial assessments of children in need within 7 working days of referral was discussed. The CPRM added that a benchmarking survey was being undertaken to inform target setting for 2008/09. Recruitment of social workers was on track towards the longer-term target increases, enabling the number of agency staff to be reduced, which should lead to improved performance.
- Concern was expressed that the report stated that performance against this indicator continued to decline. The CPRM reiterated that since the publication of the IPR performance information showed some improvement. However, the difficulty in recruiting social work staff was a national issue, which would continue to require constant attention. Aspects of recruitment were discussed. Members decided, on balance, that given the evidence that officers were taking all possible measures to strengthen recruitment and retention, they would make no further recommendations on this point at this time.
- (p5 HC 73) Disappointment was expressed that Investors in People accreditation, the aim to achieve which the Committee had supported, would not be achieved by the target date of March 2008. It was asked whether there were

any particular reasons and noted that whilst the external assessment had identified areas of strength it had also identified areas of weakness. The view remained that the process was beneficial to the organisation. It was noted that an action plan was being developed with the aim of gaining accreditation by the end of 2008.

- It was asked what action was planned to monitor the effectiveness of the Council's Communication Strategy given the importance of perception in the new format of satisfaction survey and the bearing this would have on external assessments of the Council's performance. The CPRM said that an action plan was in place. He added that, under the new Comprehensive Area Assessment arrangements, the onus was on the Council and its partners to demonstrate a good understanding of need and of the views of service users and citizens generally. Members requested that the importance of monitoring the effectiveness of the Council's communication strategy should be highlighted.
- It was asked whether there was a risk that the current level of performance might deteriorate, affecting the Audit Commission's assessment of the Council's direction of travel. The CPRM said that intensive work was underway to seek to improve performance where this was below last year's whilst maintaining performance in those areas where it was better. The experience in 2006/07 had been that in the last three months of the year it had been possible to improve performance against a significant number of indicators in respect of which performance had been below that in the previous year. This involved ensuring that data had been properly collected as well as focusing on performance itself.
- Members remarked on perceived vagaries of the CPA scoring system.

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 overall revenue budget position showed a reduction in the projected overspend to £1.005 million and explained the reasons for this, as described in the report.

He drew attention to the claim to be lodged to the Government Office West Midlands (GOWM) under the Bellwin scheme for damage caused by the flooding in July 2007, noting the possible risk that the Government might not agree to support the entire claim.

Turning then to the analysis of expenditure by Directorates he highlighted a number of potential financial risks: the position on temporary accommodation; negotiations with HALO Ltd in relation to the implementation of single status and job evaluation; and the possible claw back of grant associated with the Actively Regenerating Communities in Herefordshire programme following an audit by GOWM; aspects of ICT expenditure; and the Waste Contract.

The further slippage on the capital programme was noted.

The Head of Financial Services highlighted that the VAT position would now be included as part of the budget monitoring reports adding that the position was satisfactory.

He also noted the change in the prudential borrowing position.

In the ensuing discussion the following principal points were made:

- Asked about the Bellwin claim the Head of Financial Services confirmed that every effort had been made to ensure that all eligible expenditure was claimed.
- Concern was expressed that a change of strategy in the arrangements for allocating places in the new accommodation for older people at Leadon Bank, Ledbury was being considered. It was understood that negotiations were taking place, initiated by the Council, which could lead to the number of places reserved for placements by Herefordshire Council under the current agreement being reduced and being released by the Council for the contractor to let privately. It was requested that any proposed changes to the current strategy for the provision of places at Leadon Bank, Ledbury should be reported to Cabinet for consideration and Members of the Committee and Local Members advised of any such intention.
- In response to questions the Head of Financial Services agreed to provide a written answer on the number of partners involved in the Actively Regenerating Communities in Herefordshire programme, and to confirm the position on expenditure on the Riverside school amalgamation scheme.
- The continued improvements in the presentation of the information on the revenue budget and capital programme in response to the Committee's requests were welcomed.
- It was asked what assumptions had been made in the budget about the expected savings from the current review of the provision of school places. The Head of Financial Services, whilst noting that while generating overall savings the review would require new elements of funding as well, replied that consideration was being given to how savings might be phased. Savings would be expected to be ring-fenced within the schools budget.
- Clarification was sought on the significant projected overspend on the community network upgrade and the fact that savings on the old network had yet to be realised. The Director of Corporate and Customer Services said that a combination of factors was involved. These included that some buildings had been added to the old network after the initial scoping work and that some buildings had remained on the old network for longer than expected.
- A question was asked about the treatment of invest to save monies within the adult social care budget. The report stated that as the funding would be underspent at the year-end part of the sum had been used to fund specific short-term packages. The Head of Financial Services confirmed that the allocation of £2.7 million for invest to save monies remained in the base budget.
- The continued improvement in the presentation of the information on the revenue budget and capital programme was welcomed.
- The forecast expenditure on the Herefordshire Connects programme provided for in the capital programme was questioned. The Head of Financial Services replied that whether the sum was expended depended on whether the purchase of specific replacement systems proceeded following the Committee's call-in of Cabinet's decision to do so.
- The potential that the projected cost of the cattle market would exceed expectations and that this was due to be considered by Cabinet on 24th January,

2008 was noted.

- It was noted that tenders had been let for the replacement of the Minster High School, Leominster and some concern expressed at how this and other developments fitted with the proposals associated with the review of the provision of school places.
- Asked about the lack of detail in the corporate risk log alongside risks CR 29-32 the Head of Financial Services said that these were newly identified risks and the entries in the risk register would be completed shortly.

Members noted that the IPR had been circulated as a separate document and was available to the public on request. It was suggested that in future where documents were circulated separately in this way this was clearly indicated on the agenda papers.

RESOLVED

- That
- (a) **the importance of ensuring that baselines were established and targets set in a timely manner be re-emphasised to all Directorates and in particular the Council's partners;**
 - (b) **any proposed changes to the current strategy for the provision of places at Leadon Bank, Ledbury should be reported to Cabinet for consideration and Members of the Committee and Local Members advised of any such intention;**
 - (c) **the importance of monitoring the effectiveness of the Council's communication strategy be highlighted;**
- and
- (d) **the continued improvement in the presentation of the information on the revenue budget and capital programme be welcomed.**

54. ELECTIONS MAY 2007

The Committee considered a report by the Head of Legal and Democratic Services arising from the May 2007 elections and an action plan designed to improve the service and process based on lessons learned.

The Head of Legal and Democratic Services (HOLD) presented the report. He informed the Committee that any challenge to the procedural conduct of an election had to be by way of an electoral petition. A petition had to be lodged within 21 days from the day the election was held. No such petitions had been lodged and the May 2007 elections must therefore be considered good elections in accordance with the relevant legislation. However, a number of issues had arisen.

He commented on the issues point by point as described in the report. He also referred to the action plan appended to the report which was designed to improve the electoral registration service, addressing the issues that had arisen in the May 2007 elections.

He added that the Electoral Commission had agreed that the late introduction of significant legislation in an election year had not been appropriate. A paper from the

Commission (Electoral administration in the United Kingdom – the Electoral Commission's assessment) published in December 2007 was also appended to the report. He noted that this indicated that electoral registration in its current structure was at "breaking point" and that there should be: "a "no change" period of at least one year until after May 2008 to help embed recent changes and give those who run our electoral processes a chance to ensure that proper resources are devoted to planning and managing the new procedures."

The Commission was due to report to the Government in the summer of 2008 with recommendations. It was expected that significant additional resources would be required for the electoral registration process.

In conclusion he praised the electoral registration services team, the support from Legal and Democratic Services together with Corporate and Customer Services and all election staff for their efforts in what had been very difficult circumstances.

In the ensuing discussion the following principal points were made:

- That the elections in May 2007 had been described as a shambles and had placed stress on all those participating in the election. Whilst a large proportion of the difficulties could be attributed to the legislative changes that had been introduced, it was essential that substantial improvements were made to avoid the problems that had been experienced reoccurring.

The HOLD said that difficulties had been experienced across the whole Country. He commented on the efforts that had been made to deal with the problems that had arisen, noting in particular the difficulties relating to postal votes.

- Referring to problems in calling candidates to their count it was proposed that action should be taken to ensure that the public address system used on election nights functioned effectively.
- That it had to be recognised that the difficulties with postal votes meant that some people had been unable to vote. This was unacceptable to the Head of Legal and Democratic Services as it was everyone's right to vote. Contingencies had been put in place which whilst not ideal did allow for as many of the electorate as possible to register their vote.
- That further consideration should be given to whether the count should be held on the day following the elections, given the pressure caused by the length of time it took to conduct the count.
- The HOLD noted that the Electoral Commission was developing a set of performance indicators for Returning Officers and that this might be of future interest to the Committee.
- The report was welcomed for clearly and comprehensively setting out the issues.
- That it was important that the action plan addressed the workload demands that had been placed on the electoral registration service staff.
- That the review of polling stations needed to be conducted sensitively having regard to the potential effect on the perception of the democratic process that reducing the number of polling stations might have.

- The contribution Town and Parish Councils were required to make to the cost of their elections was discussed including whether the cost should be borne by all councils, whether holding elections or not, or borne in their entirety by Herefordshire Council. The Director of Resources commented that any change to the present arrangements was not accounted for in the budget proposals. Members noted that if a change to the current arrangements were to be agreed this might need time to implement, recognising the budgetary implications. It was proposed that the issue of whether contributions to the costs of elections should be shared with Parish Councils holding elections or instead met in full by the Council should be revisited.
- If Parish Councils were to meet the costs of their elections it was important that they were notified in a timely manner. It was stated in reply that a preliminary invoice for the 2007 elections was to be issued imminently to all affected Parish Councils by letter.
- That the effort made by staff to seek to overcome the difficulties encountered should be acknowledged.
- The action plan was welcomed.
- A Member suggested that the Council should organise an annual conference with Town and Parish Councils to resolve issues. It was noted that to an extent the relationship with Herefordshire Association of Local Councils (HALC) was intended to fulfil this purpose, whilst acknowledging that not all Councils were members of HALC.
- Clarification was sought of the implications of the statement that some ballot papers for the District Council election had been discovered during the parish council count and could not therefore be counted in the District Council election, the results having been declared at the District Count the night before. The HOLD said that this had amounted to some 12 votes and had not had a bearing on the result in the ward affected,
- The issue of verification of the number of ballot papers was also discussed. The HOLD advised that it was for the Returning Officer to resolve such issues with the candidates.
- The need for training to ensure problems were not repeated was emphasised. The Director of Corporate and Customer Services said that the action plan was intended to address resourcing issues.
- The unavailability of refreshments as the Count had run on was also raised. No licence extension had been sought at the venue and future consideration would be given to this matter with HALO Ltd.
- In response to further criticism of the process the HOLD stated that he considered that due process had been followed. Ultimately it was open to individuals if they were dissatisfied to seek legal redress. No action had been lodged against the Council.
- It was noted that it was proposed that the HOLD would present a further report to the Committee on conclusion of legal issues with the supplier contracted to deliver aspects of the election. It was requested that a representative from the Electoral Commission should be invited to attend the meeting at which this further report was presented.

The HOLD also reported that two written questions had been received and said that written answers would be sent in reply.

RESOLVED

- That (a) the elections action plan 2007 –2008 be welcomed, noted and received;
- (b) the issue of whether contributions to the costs of elections should be shared with Parish Councils holding elections or instead met in full be Herefordshire Council should be revisited;
- (c) action should be taken to ensure that the public address system used on election nights functions effectively;
- (d) further consideration be given to whether the count should be held on the day following the elections;
- (e) the Committee's recognition of the considerable efforts made by staff to deliver the elections be recorded;
- (f) a further report from the Head of Legal and Democratic Services be made to the Committee on conclusion of legal issues with the supplier contracted to deliver aspects of the election; and
- (h) a representative from the Electoral Commission should be invited to attend the meeting at which the further report from the Head of Legal and Democratic Services was presented.

55. SCRUTINY ACTIVITY REPORT

The Committee noted the work being undertaken by the scrutiny committees.

56. WORK PROGRAMMES

The Committee considered the Scrutiny Committees' current and future work programmes.

It was noted that in the view of its earlier discussions the following issues needed to be reflected in the work programme:

- ongoing work on the electoral registration service in response to the elections 2007
- the findings of the annual satisfaction survey
- monitoring of the effectiveness of the Communication Strategy

Requests from the Audit and Corporate Governance Committee, as set out in the report remained to be considered.

RESOLVED: That subject to the amendments above the current Work Programmes serve as a basis for further development.