

MINUTES of the meeting of Strategic Monitoring Committee held at The Council Chamber, 35 Hafod Road, Hereford on Friday, 15th October, 2004 at 10.00 a.m.

Present: Councillor T.M. James (Chairman)
Councillor Mrs. P.A. Andrews (Vice-Chairman)

Councillors: B.F. Ashton, W.L.S. Bowen, A.C.R. Chappell,
J.H.R. Goodwin, Mrs. M.D. Lloyd-Hayes, J. Stone and J.P. Thomas

In attendance: Councillors P.J. Edwards, Mrs J.P. French, P.E. Harling, and R.J. Phillips

19. APOLOGIES FOR ABSENCE

Apologies were received from Councillor WJS Thomas and Councillor DB Wilcox Cabinet Member (Audit and Performance Management).

20. DECLARATIONS OF INTEREST

There were no declarations of interest.

21. MINUTES

RESOLVED: That the minutes of the meeting held on 19th July, 2004 be confirmed as a correct record and signed by the Chairman.

22. CORPORATE PLANNING PROCESS

The Committee considered the single, coherent corporate planning process approved by Cabinet on 9th September 2004, including strengthened arrangements for strategic monitoring.

The report to Cabinet on 9th September, 2004 was appended to the report.

The Corporate Policy and Research Officer explained the rationale for the new corporate planning process. He drew particular attention to the integration of performance management into the new process, which it was intended to achieve by introducing an Annual Operating Plan for the whole Council. This would set out for the first year of each three-year Corporate Plan, in measurable terms, what the Council intended to achieve and what actions, with what resources, it would take to do so. Built on a careful selection of the most important performance indicators, this should provide a much simpler and more user-friendly basis for in-year and end-year monitoring of strategic performance by Cabinet and the Strategic Monitoring Committee.

It was noted that the Corporate Plan would be subject to approval by the Council in February, 2005.

In the course of discussion the Committee was advised that individual Scrutiny Committees would be provided with detail on the new indicators and targets which were to be developed for the Annual Operating Plan. It was confirmed that the corporate planning process itself would be reviewed and refined in light of the

lessons learned in its development.

RESOLVED: That the single, coherent corporate planning process approved by Cabinet be noted.

23. LOCAL PUBLIC SERVICE AGREEMENT UPDATE

The Committee was informed of the position regarding the Local Public Service Agreement (LPSA) targets.

The report to Cabinet on 14th October 2004 was appended to the report, setting out the latest performance and providing an update on the second round of LPSAs to be negotiated with the Government.

The Chief Executive emphasised that the Performance Reward Grant, which would be received for those LPSA targets which were met, was a one-off grant. In relation to the investment of this grant the following addition to paragraph 6 of the report to Cabinet had been agreed by Cabinet: "such investment will not always be service or LPSA specific and can be used to support investment in enabling measures such as ICT or business support and efficiency measures."

The County Treasurer advised that once feedback was received from the Office of the Deputy Prime Minister on the Authority's submission for the second LPSA there would be an opportunity for Members to contribute to the process.

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

- Whilst welcoming progress made in relation to sub-target 3.1: reducing the number of killed and seriously injured casualties per annum, dismay was expressed at the lack of action by the Highways Agency in tackling dangerous stretches of the A49. It was suggested that the time had come for the Environment Scrutiny Committee to request the Agency to explain what action it proposed to take and within what timescale.
- A number of questions were asked about the distribution of the Performance Reward Grant such as whether Performance Reward Grant from meeting aspects of target 3: improving road safety, would be allocated to measures to reduce speeding in villages and safer routes to schools. In reply it was reiterated that it was intended to invest any Grant in the priorities identified in the second LPSA.
- It was noted that services to which the targets in the first LPSA related had already benefited from pump-priming grant.
- Concern was expressed that higher levels of performance attained in pursuit of the LPSA targets should not be allowed to deteriorate.
- It was acknowledged that performance information in respect of target 4.3: percentage of young people who offended in the last quarter of the year who were re-offending, was as yet provisional and it was confirmed that the Council would need to ensure that robust information was obtained from partners on this and other targets.

RESOLVED: that the report be noted.

24. PERFORMANCE MONITORING - CORPORATE HEALTH

The Committee considered the report made to Cabinet on the Council's performance in relation to Best Value Performance Indicators from 1st April to 31st July, 2004.

The report to Cabinet on 23rd September 2004 was appended to the report.

The Corporate Policy and Research Officer noted that the report had been produced on an exception basis. The overall picture was one of improved performance. The next monitoring report, on performance after 6 months, would show trends and provide a clearer and more comprehensive picture.

In the ensuing discussion the following principal points were made:

- The Cabinet Member (Human Resources and Corporate Support Services) and the County Treasurer responded to a question about the processing of benefit claims. Reasons given for performance being below target included the Service having to issue new Council Tax bills as required by the Government following its decision to cap the Council's budget, and relocation of part of the Service. However, there were now encouraging signs of improvement. Current performance was within the target and the changes implemented on the recommendation of the Service Improvement Team were proving most beneficial. It was also expected that the results of an independent inspection by the Benefit Fraud Agency would be favourable
- The County Treasurer was asked to circulate information to all Members on the Council's approach to investigating allegations of benefit fraud. It was affirmed that the Service was aware of the need to deal sensitively with this issue and that no complaints had been received.
- A question was asked about the target for complaints and the fact that the number of complaints was below target was identified as an area of improvement. In response it was reiterated that this was a national Best Value Performance Indicator and national guidance prescribed how the Council should define success in measuring its performance against the target.

RESOLVED: That the report be noted.

25. RACE EQUALITY SCHEME ANNUAL REPORT 2003/2004

The Committee received an update on progress in implementing the action plan designed to deliver the Council's Race Equality Scheme.

The report submitted to Cabinet on 15th July, 2004 was appended to the report.

The Head of Policy and Communication presented the report commenting on a number of initiatives underway. He noted that progress against the relevant Best Value Performance Indicator target for 2003/2004 had been to comply with 50% of actions set out in the Indicator, with actual performance being 47%. The target for 2004/2005 was 60% and good progress was being made to meeting and hopefully exceeding that target.

In the course of discussion the work being undertaken by the Council and its partners to make translation and interpreter services available and provide the opportunity to learn English as a second language was noted.

It was requested that the Committee be advised of the timescale for appointing a Travellers Liaison Officer.

It was also noted that ongoing training in race equality issues was to be provided for all Members.

RESOLVED: That action taken and progress to date in implementing the Race Equality Scheme action plan be noted.

26. COMMUNITY SAFETY AND DRUGS PARTNERSHIP PROGRESS REPORT

The Committee was informed of progress made in the work of the Herefordshire Community Safety and Drugs Partnership.

The report summarised progress made both strategically and operationally and specific work in relation to alcohol use, anti-social behaviour, domestic violence, road safety and substance misuse issues.

In the ensuing discussion the following principal points were made:

- There was some discussion of whether it would be appropriate for there to be Member representation on the Community Safety and Drugs Partnership. It was suggested that this was not a Member level body and would not therefore be the most productive approach for Members or the Partnership. Members already had involvement through the Local Drug Forums and had the scope to play an effective role in the scrutiny arena in holding the Partnership to account.
- Clarification was sought as to whether there was a policy on the location of bins for used needles. It was noted that locations were determined following consultation by the Local Drugs Forums.
- It was also confirmed that where bins were located in places such as pharmacies the need to train staff to respond appropriately to users was recognised.

RESOLVED: That the report be noted.

27. REVIEW OF THE CONSTITUTION

The Committee considered its response to proposals to update the Constitution to reflect changing legislation and Council requirements.

The County Secretary and Solicitor explained that the report considered a number of revisions. These included: a number of Planning Committee matters including clarification of the Head of Planning Services' power to refer applications considered by the relevant Area Planning Sub-Committee to the main Planning Committee; changes relating to Council procedures, changes relating to the Children's Bill, provision for the appointment of Health Scrutiny Joint Committees and amendments to update the Financial Regulations.

The recommendations, as considered by the Constitutional Review Working Group, were annexed to the report.

In considering the Head of Planning Services' power to refer applications considered by the relevant Area Planning Sub-Committee to the main Planning Committee it was observed that the draft referral procedure, attached as Appendix 4 to Annex 1 to the report, needed to include the provision that he need not refer to the Planning Committee matters contrary to the officer recommendation which were likely to be

the subject of a call-in by the Secretary of State, reflecting the amendment proposed to the relevant Standing Order. It was also requested that further consideration be given to the wording in paragraph 6 of Appendix 4 to Annex 1. This wording related to receipt of objections received after a meeting of the relevant Area Planning Sub-Committee but before the end of the consultation period. The County Secretary and Solicitor reported that the appendix was still a draft and she would be discussing it further with the Head of Planning Services.

The Committee also discussed the response to a Notice of Motion to Council requesting the reinstatement of Programme Panels and concern that some Members were not aware of how to raise matters with Cabinet Members or Scrutiny Committee Chairmen. It was noted that the Constitutional Review Working Group's observation was that it should be acknowledged that more work needed to be done to keep all Members informed, by offering more briefing seminars and raising awareness of the role of the Scrutiny Committees in holding the Executive to account, contributing to policy development and determining what issues they should consider. A review of scrutiny activity for the year 2003/04 had recently been undertaken providing an opportunity to review progress to date and scope for improvement.

RESOLVED: That the proposed amendments to the Constitution set out in Annex 1 to the report be recommended to Council for approval, subject to noting the further consideration to be given to Appendix 4 to Annex 1.

28. BEST VALUE REVIEW OF SPECIAL EDUCATIONAL NEEDS PROVISION AND SUPPORT SERVICES - STAGE 3 REPORT

The Committee considered the Stage 3 report and outcomes of the Best Value Review of Special Educational Needs Provision (SEN) and Support Services.

The detailed Stage 3 report considered by the Education Scrutiny Committee on 5th October, 2004 had been circulated separately to Members of the Committee. The covering report set out the background to the review and summarised the approach which had been adopted towards data collection and compliance with the requirements of the Best Value regime.

The Chairman of the Education Scrutiny Committee reported that the Committee had been satisfied with the conduct of the review and had approved the review's recommendation that current provision be maintained but making changes identified in the review process which would deliver improvements.

The Head of Children's and Students Services reiterated that the requirements of the Best Value regime had been complied with, whilst noting the difficulty in identifying alternative potential providers. In response to a question she confirmed that the outcome of the review, once determined by the Cabinet Member (Education), would be appropriately disseminated.

RESOLVED: That the recommendation of the Education Scrutiny Committee on the Stage 3 report of the Best Value Review of Special Educational Needs Provision and Support Services, that current provision be maintained but making changes identified in the review process which would deliver improvements, be endorsed and the findings referred to the Cabinet Member (Education) for consideration.

**29. TRANSPORT CROSS-SERVICE REVIEW IMPLEMENTATION PROJECT
PROGRESS REPORT**

The Committee was informed of progress made in implementing the recommendations of the Transport Cross-Service Review.

The report set out progress since the last report to the Committee in April 2004 and what actions remained to be completed. The Transportation Manager highlighted that scheduling software was now in place for use by public transport, social care and special educational needs transport and would be operational for Special Educational Needs trips from the end of October 2004. Development work was continuing, with the system expected to be operational for mainstream education transport from January 2005. A programme for reviewing contracts would be implemented to identify efficiency improvements. A series of performance indicators had been developed to measure improvement.

In response to a question the Transportation Manager advised that the area for a live pilot for staggered opening times for education and social care establishments had yet to be determined, but would be somewhere in Hereford City.

In the course of discussion it was noted that the Education Scrutiny Committee would be required to give further consideration to the approach to the discretionary policy applicable to denominational transport in the light of legal considerations which had been raised.

The Chief Executive reminded the Committee, as a point of general principle, that it would be important in the context of the Transport Review, and other reviews, to measure whether savings targets identified during reviews were achieved.

RESOLVED: That progress in implementing the Transport Cross-Service Review be noted.

30. PROPERTY SCRUTINY REVIEW UPDATE

The Committee received an update on progress with the Property Scrutiny Review.

The Chairman reported that, as requested by the Committee on 19th July, work had been undertaken to add supporting detail to the Review report. A special meeting of the Committee would be held after Cabinet on 4th November, 2004 to consider the findings.

The Leader of the Council expressed concern about the time taken since July to finalise the Review and requested that the lessons learned from the Review be analysed to seek to prevent such slippage to reviews in future.

31. ANNUAL AUDIT ASSURANCE REPORT 2003/2004

The Committee considered the Annual Audit Assurance Report highlighting the key internal control issues identified during the course of audit work and providing an update on key issues identified during 2003/04 that required attention.

The report to Cabinet on 9th September, 2004 was appended to the report.

The County Treasurer informed the Committee that an important part of the audit process was to ensure that the recommendations in the annual assurance report were acted upon. He noted that Cabinet had requested a further report on issues raised in the report, in particular: verification of performance indicator information,

the security of the Council's ICT provision; and the operation of the Council's contract with Herefordshire Jarvis Services Ltd.

In the ensuing discussion the following principal points were made:

- In relation to the verification of performance indicator information it was noted that verification errors persisted in relation to the data collected for certain Best Value performance Indicators. This had resulted in unsatisfactory audit opinions in previous years. It was suggested that relevant individual scrutiny committees might need to consider this issue to reinforce the work of the Principal Audit Manager.
- The Director of Policy of Community was requested to comment on the position in respect of ICT provision. She reported that major capital investment had been approved. However, its application, for example to provide a second data centre to guard against an ICT disaster, depended on decisions made by the Council about its accommodation needs. A more corporate approach was being implemented to procurement of IT systems and there was awareness of the need to invest in the skills base to manage their increasing complexity. The Government's requirements to implement e-government were highly prescriptive. Progress was being made but there were many challenges to overcome.

There was further discussion of the importance of resolving the Authority's accommodation needs and the interrelationship of the work of the Accommodation Board, charged with determining a final recommendation to Cabinet, and the work being undertaken as part of the Property Review. The Chief Executive advised that the Property Review was expected to recommend the principles which should govern the Council's approach to its Property holdings. It had therefore been prudent for the Accommodation Board to await the Review's findings before reaching any conclusions. It therefore also had to be recognised that the delay in completing the Review had had an impact.

- Some concern was expressed about the operation of the contract with Herefordshire Jarvis Services Ltd. In response it was advised that whilst there might be pockets of concern about the new working arrangements the effectiveness of the contract needed to be assessed in its totality. Action was being undertaken to address any concerns and there was a focus on achieving best value for money from the contract for the Council.
- It was observed that the Council was currently not complying with the revised Code of Practice for Internal Audit in Local Government issued in 2003 in two particulars. One related to the Audit Strategy, which it was noted was in preparation. The other related to independence. The Authority did not comply with the Code because the Principal Audit Manager did not report exclusively direct to the County Treasurer (as a member of the Chief Executive's Management Team), instead reporting through the Assistant County Treasurer on some issues. The County Treasurer expressed the view that the present arrangements were robust. It was, however, recognised, that regard had to be had to the views of the external auditors. The Committee was advised to revisit the matter following receipt of the Audit Commission's annual management letter in December and the strength of the external auditors views on the Council's present arrangements.

RESOLVED: That the report on the Annual Assurance Report 2003/2004 be noted.

32. BUDGET MONITORING 2004/05

The Committee was informed of the position regarding budget monitoring for Programme Areas in 2004/2005.

The report to Cabinet on 9th September, 2004 was appended to the report.

RESOLVED: That the report be noted.

33. CAPITAL PROGRAMME MONITORING 2004/05 TO 31ST JULY 2004

The Committee was informed of the Capital Programme forecast for the period up to the end of July 2004/05.

The County Treasurer reported that progress was slightly slower than programmed. However, this was a less significant issue than in previous years because of the greater funding flexibility provided by the new prudential borrowing framework.

RESOLVED: That the report be noted.

34. SCRUTINY ACTIVITY REPORT

The Committee noted the work being undertaken by the Scrutiny Committees.

The meeting ended at 12.40 p.m.

CHAIRMAN