

SELF REGULATION SELECT COMMISSION
5th September, 2013

Present:- Councillor Currie (in the Chair); Councillors Atkin, Beaumont, Ellis, Godfrey, J. Hamilton, Sharman, Tweed, Vines and Watson.

Apologies for absence were received from Councillor Beck.

19. DECLARATIONS OF INTEREST

There were no declarations of interest made at this meeting.

20. QUESTIONS FROM MEMBERS OF THE PUBLIC AND THE PRESS

There were no questions from members of the public or the press.

21. COMMUNICATIONS

There were no items to report.

22. MINUTES OF THE PREVIOUS MEETING HELD ON 25TH JULY, 2013

Resolved:- That the minutes of the previous meeting of the Self Regulation Select Commission held on 25th July, 2013 be approved as a correct record for signature by the Chairman.

23. CORPORATE PLAN OUTCOMES - OUTTURN 2012-13

Consideration was given to the report, presented by the Performance and Quality Manager, which provided an analysis of the Council's current performance against the 29 key delivery outcomes contained within the Corporate Plan. The submitted report contained an outturn (for 2012/13) and current position statement based on available performance measures for all outcomes together with an analysis of progress on key projects and activities which contributed to delivery of the plan.

The report also aimed to highlight the various economic and political influences including changes in national policy and funding which were already, or could potentially impact, on the performance of the corporate plan outcomes.

As a result of service reductions, the Council's ability to deliver all the corporate plan objectives was a high risk. The potential for under performance as a result of budget reductions highlighted the importance of integrating performance, risk and financial reporting.

The current position was:-

- Red - 2 outcomes requiring major intervention at Strategic Leadership Team level.
- Amber - 8 outcomes requiring intervention at Directorate level.
- Green - 19 outcomes requiring no intervention at this time.
- 0 outcomes which cannot be assessed at this time.

The direction of travel between March, 2012 and April, 2013 had been positive, with a decrease in the number of Red and Amber rated outcomes demonstrating that effective performance management processes and procedures were in place across the Authority.

A recent Investors in People external review had resulted in the Authority retaining the 'Gold' standard, reinforcing performance to customers as being of utmost importance.

The review of the Council's Corporate Priorities has begun and a revised version of the Corporate plan-on-a-page had been developed and was included as part of this report. The revised plan was now subject to a period of consultation and had already been considered by the Overview and Scrutiny Management Board. As part of the consultation process, the Overview and Scrutiny Management Board asked the Self-Regulation Select Commission to examine the way in which the new priorities and commitments would be delivered through the Council's service plans and key strategies (i.e. the "golden thread"). There would be a separate meeting arranged to facilitate this process.

During discussion, Members raised the following issues:-

: Members questioned specific indicators where service performance could be improved; it was agreed that the appropriate departmental officers ought to attend future meetings and explain the reasons for current performance.

: reference was made to the various measures which under-pin each indicator and the work being undertaken to try and secure improvement in performance;

: the impact of budget reductions upon service performance (eg: highway maintenance and street cleansing);

: Members suggested ways in which the reporting of information could be improved, emphasising the direction established by Council policy;

: the impact of external influences (eg: national Government policy);

: the 'poverty gap' and the Council's work within deprived communities.

Resolved:- (1) That the report be received and its contents noted.

(2) That the current position against each of the Corporate Plan outcomes, ensuring implementation of the proposed interventions and corrective actions be endorsed.

(3) That performance issues be kept under close review to prevent green/amber outcomes becoming rated red.

(4) That, further to (3) above, the appropriate departmental officers responsible for specific indicators whose RAG rating changes shall attend future meetings of this Select Commission in order to explain the reasons for such changes.

(5) That the Corporate Plan outcomes currently being reviewed and undergoing a consultation process be noted and the results of this process shall be used to influence future performance reporting.

(6) That the Self-Regulation Select Commission be consulted on the developing outcomes and their performance management.

(7) That a group comprising the Chairman of the Self Regulation Select Commission and Councillors Atkin, Ellis, Godfrey and Watson be established to (i) work with officers from Performance and Quality and examine the Performance Management Framework for the newly-refreshed Corporate Plan, (ii) make recommendations for its further improvement and (iii) submit a report on the outcome of this process to a future meeting of the Self Regulation Select Commission.

24. REVENUE BUDGET MONITORING FOR THE PERIOD ENDING 31ST MAY 2013

Further to Minute No. 50 of the meeting of the Cabinet held on 24th July 2013, consideration was given to a report presented by the Director of Finance concerning the funding reductions implemented by the coalition Government since 2011 which have required the Council to make savings of over £70 millions, including £20.2 millions of savings which the Council must deliver during the 2013/14 financial year in order to achieve a balanced outturn budget.

The submitted report provided details of progress on the delivery of the Revenue Budget for 2013/14, based on performance for the first two months of the financial year. It was currently forecast that the Council would overspend against its budget by £4.849 millions (+2.2%). The main reasons for the forecast overspending were:-

- The continuing service demand and cost pressures for safeguarding vulnerable children across the Borough area.
- Income pressures within Environment and Development Services.
- Demand pressures for Direct Payments, Older People's Domiciliary Care services and day care for clients with Learning Disabilities.

- Additional, one-off property costs relating to the continued rationalisation of the Council's asset portfolio as part of the efficiency drive to reduce operational costs.
- Some savings targets were currently pending delivery in full during 2013/14.

Although the current forecast revenue pressure was significant, through the implementation of appropriate management actions it should be possible to mitigate the forecast pressure and prevent it from becoming serious. A strategy for addressing the forecast pressure was proposed within the submitted report. This strategy would ensure that the Council was able to deliver a balanced outturn and preserve its successful record of managing both its in-year financial performance and its overall financial resilience.

Support for the strategy was requested to address the 2013/14 forecast pressure of £4.849 millions. This proposed strategy consisted of three stages and incorporated key principles of increasing income, controlling costs and managing demand. Escalation to the subsequent stages of the strategy would be dependent upon the degree of success in reducing the forecast overspending towards a balanced outturn position.

Members raised the following issues during the debate of this report:-

: budget issues concerning Children and Young People's Services (including : school places; foster care placements within and outside the Authority area – and the consequent difficulty of being able to forecast budget spending accurately);

: spending on the use of consultants, which is reducing considerably (Members asked to be informed of the expenditure details); reference was made to the scrutiny review of the Council's use of consultants, containing a recommendation that no procurement process for the engagement of consultants should commence unless a clear business case is stated and can justify the appointment of external consultants (Minute No. C24 of the Cabinet meeting held on 17th June 2009 refers);

: reductions in income affecting several service areas across the Authority (including the impact upon Council facilities such as the Rockingham professional development centre);

: the impact of employee sickness absence;

: the use of shared service arrangements to try and achieve budget savings;

: the forthcoming scrutiny review of Elected Member structures and the scrutiny function, within the 2013/14 scrutiny work programme.

Resolved:- (1) That the report be received and its contents noted.

(2) That the current forecast outturn and significant financial challenge presented for the Council to deliver a balanced revenue budget for 2013/14 be noted.

(3) That the Cabinet's approval of the proposed strategy to bring spending in line with budget by 31st March, 2014, be noted.

25. EXCLUSION OF THE PRESS AND PUBLIC

Resolved:- That, under Section 100A(4) of the Local Government Act, 1972, the press and public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Part I of Schedule 12A to the Local Government Act (as amended March, 2006) (information relating to financial and business affairs of any particular person).

26. DIGITAL REGION LIMITED

Further to Minute No. 73 of the meeting of the Cabinet held on 4th September, 2013, consideration was given to a report presented by the Chief Executive with regard to the urgent decision taken by him, in accordance with delegated powers, in respect of the termination of the Digital Region Limited project. Discussion took place on the financial implications, the Council's management of risk and the forthcoming evaluation of the project.

Reference was made to the possibility of an investigation and evaluation of the project by the National Audit Office and of a joint scrutiny review by the four South Yorkshire local authorities.

Resolved:- (1) That the report be received and its contents noted.

(2) That the decision taken by the Chief Executive on 12th August, 2013, in accordance with his delegated powers, in respect of the termination of the Digital Region Limited project, be noted.

(3) That, in due course, a further report be submitted to Scrutiny Members on the outcome of the evaluation of the Digital Region Limited project and, in the meantime, the Director of Finance continue to report to Members on the financial aspects of the project.