

SELF REGULATION SELECT COMMISSION
Friday, 27th June, 2014

Present:- Councillor Currie (in the Chair); Councillors Cutts, Ellis, J. Hamilton, Johnston, Reeder, Sansome, Sharman and Watson.

Apologies for absence:- Apologies were received from Councillors Beaumont, Godfrey and Tweed.

76. DECLARATIONS OF INTEREST

There were no Declarations of Interest to report.

77. QUESTIONS FROM MEMBERS OF THE PUBLIC AND THE PRESS

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

78. COMMUNICATIONS

No communications had been received.

79. MINUTES OF THE PREVIOUS MEETING

Resolved:- That the minutes of the previous meeting held on 8th May, 2014 be approved as a correct signature by the Chairman.

80. REPRESENTATIONS ON PANELS AND SUB-GROUPS

Resolved:- That the following Members of the Self Regulation Select Commission be appointed to the Panel and Group shown for the 2014/2015 Municipal Year:-

(1) Health, Welfare and Safety Panel: - Councillor T. R. Sharman
(Substitute - Councillor J. Hamilton).

(2) Recycling Group: - Councillor S. Ellis.

81. CORPORATE PLAN - PERFORMANCE MANAGEMENT ARRANGEMENTS

Consideration was given to a report presented by Anne Hawke, Performance and Improvement Officer, which outlined the proposed arrangements for monitoring, reporting and performance management of the new Corporate Plan priorities to the Self-Regulation Select Commission.

Due to reduced resources across the authority monitoring of the plan should not duplicate effort and should be as efficient and effective as possible. Performance and Quality Officers have been working with

managers and directors to identify relevant performance and outcome measures to monitor and report progress against the priorities.

A streamlined process would, therefore, allow officers to focus on progress and improvement and also to address any performance issues. Directors would be held to account for the delivery of the plan and its measures and should ensure that there was a clear golden thread through service and team planning.

In the revised corporate plan the number of priorities and outcomes had been significantly reduced. This reflected the financial challenges that the Council was currently facing and reduced the level of bureaucracy required to manage, monitor and report progress against the new plan. Officers have also sought to reduce any duplication and were building efficiencies into the way information was collated and report across the various commissions and partnership boards.

There were now four priorities, each with a maximum of three outcomes. A set of key measures underpinned the outcomes and these measure the success of the outcome and overarching priority. Where possible the number of measures were kept to a maximum of three, although for a couple of outcomes there were up to five measures.

All suggested measures have been developed and approved by the appropriate officers and Directors. The list was included with the report for information and approval along with all other templates to be used to report progress against the plan.

It was proposed that an annual review of all indicators should take place in order to confirm continued relevance. At this point indicators could be replaced if deemed appropriate.

A schedule for reporting was proposed by the Select Commission. This would consist of a full Corporate Performance report being presented up to three times per fiscal year. Two of these would include exception reporting against the whole plan with a further option during March for a further report or for the authority to take the opportunity to take pertinent information to the Commission.

A request had also been received for the use of an intranet area to be able to view current progress against corporate plan priorities and outcomes along with any information around performance management of the associated indicators.

The Performance and Quality Team were developing an area that both officers and Members could utilise to collate and monitor performance on a monthly basis. This would need careful planning, but could be an open and transparent way of sharing performance data with Members and provided the ability to challenge.

In the previous framework, it was difficult to make a clear and accurate judgement on the success of the priorities. Therefore, a more simple and easy to apply model was proposed to move forwards. This would help to reduce the amount of subjectivity that officers have when rating the success of the measures and was a simple way of applying the rating to any indicator, outcome and/or priority.

It was intended for performance management of the approved measures to commence in April with the first report going to the Self-Regulation Select Commission in September. In the meantime, work would continue on the intranet area and performance data collated and shared (following an approved protocol) when it became available.

A special thank you was given to all those involved in the work especially Councillors Atkin, Currie, Ellis and Watson.

It was also suggested that a presentation or training session be arranged for all Members of the Select Commission on how to access the intranet site.

A discussion and answer session ensued and the following issues were raised and subsequently clarified:-

- Identification of a priority in "Red", which was not always something the Council could control if it was a national issue.
- Attendance of a responsible Director and/or Elected Member to explain when priorities were not being achieved and identified as "Red" on the RAG rating.
- Development of specific performance indicator measures to monitor data and intervention to support the outcomes and priorities.
- The sharing of best practice and opportunities for external assessment.

Resolved:- (1) That the proposals included in the report be noted.

(2) That the Performance and Quality Team will begin monitoring and reporting against the new Corporate Plan priorities from 1st April, 2014, with the first report due to go to this Committee during September, 2014.

(3) That the responsible Director and/or Cabinet Member be present at meetings when the reports are submitted to give explanations for any priorities in "Red".

(4) That consideration be given to a future training session for the Self Regulation Select Commission in September, 2014, to which all Elected Members would also be invited.

82. REVENUE ACCOUNT OUTTURN 2013/14

Consideration was given to a report presented by Pete Hudson, Chief

Finance Manager, which detailed how in 2013/14 the Council budgeted to spend £221.474m on its General Fund Revenue Account. Actual spending for the year was £220.440m, a saving against budget of -£1.034m (or -0.47%). Of this, £0.747m was accounted for by surpluses on trading accounts, leaving a net underspend of £0.287m. (-0.13%)

Requests to carry-forward £251k of unspent 2013/14 budgets for specific projects/purposes were also included in this report. This was approved by Cabinet leaving the remaining balance available to support the future years' budget at £36k.

In addition, the Delegated Schools' Budget was £154.271m. Actual spend against this was £155.155m, an overspend of £0.884m for the year. This had been drawn down from Schools' Reserves which at 31st March, 2014 stood at £6.456m.

The Housing Revenue Account (HRA) in 2013/14 was budgeted to draw down funding from the HRA General Reserve of £2.599m. However, use of the reserve was not required and there had been a contribution to this Reserve of £1.570m.

This was a very positive outturn, especially given the challenges faced in-year which necessitated the implementation of a moratorium on all but essential spend from October. It was the result of the hard work of both Elected Members and staff in managing reducing levels of funding at a time of increasing service need, and also the generally good and responsible financial management on the part of budget holders.

Reflecting the above unaudited outturn position, the Council's Revenue Reserves as at 31st March, 2014 were General Fund Reserves available and uncommitted to support the Budget £10.222m and Earmarked Reserves £57.031m of which £43.540m was ringfenced for HRA, Schools and to meet future PFI contractual obligations.

Discussion ensued and the following issues were raised and subsequently clarified:-

- The risks posed by academy conversions and the monitoring of these given that the deficit was borne by the Local Authority.
- The potential for the debts for academy conversions to increase and the impact this would have.
- Requests for carry forward of the underspends on Traded Services and whether this was planned to mitigate changes in the following year.
- Surplus on School Catering and whether the Free School Meals for pupils under seven years of age had been factored in.
- Mitigation of risks for those services that could be squeezed even further for savings.
- Definitions and explanations for services relating to non-essential spend and the analytical assessment tool to be explored by way of a

small working group.

- Housing Revenue Account and the inclusion of this in the Select Commission's work programme to further explore the thirty year business plan.

Resolved:- (1) That the Council's unaudited General Fund, Schools' and the Housing Revenue Account (HRA) Revenue Outturn Position Statements for 2013/2014 be noted.

(2) That the level of the Council's Revenue Reserves as at 31st March, 2014 be noted.

(3) That Cabinets approval of the carry forward of underspends on Trading Services (£747,055) and requests for carrying forward of specific items (£251,467) in accordance with the Council's approved policy be noted.

(4) That the request to Cabinet to waive the Council's policy of carrying forward 20% of Directorate underspends from 2013/14 be noted.

(5) That consideration be given to sharing information on academy conversions at a future meeting of this Select Commission.

(6) That a small working group comprised on Councillors Ellis, Sansome and Watson explore further the criteria and analytical assessment process for non-essential spend.

(7) That the Housing Revenue Account be included for consideration as part of the Work Programme.

83. CAPITAL PROGRAMME OUTTURN 2013/14 AND UPDATED ESTIMATES 2014/15 TO 2016/17

Consideration was given to a report presented by Pete Hudson, Chief Finance Manager, which detailed the unaudited capital outturn position for the 2013/14 financial year and recommend for approval changes to the programme for the financial years 2014/15 to 2016/17. These changes have resulted from the 2013/14 outturn and scheme changes since the overall programme was agreed in March 2014, as part of the budget setting process.

For 2013/14 the Council's capital investment into the regeneration and enhanced infrastructure of the Borough was £71.769m. The profile of this investment and the updated future expenditure plans were reflected in the Directorate summary table within the report. A detailed copy of the programme for each Directorate was also attached as appendices to the report.

The updated programme had been prepared in light of the capital resources known to be available to the Council over these financial years,

and estimated on a prudent basis.

The Council was continuing to undertake a comprehensive review of its assets and buildings portfolio, with the aim to rationalise both its operational and non-operational asset holdings, which may contribute both a future capital receipt and a revenue saving.

The Select Commission welcomed this comprehensive report.

Resolved:- (1) That the unaudited 2013/14 capital outturn position be noted.

(2) That the recommendation to Council to approve the updated 2014/15 to 2016/17 capital programme be noted.

84. 2014/15 WORK PROGRAMME

Caroline Webb, Scrutiny Adviser (Scrutiny and Member Development), presented an update on the progress on the delivery of its work programme, summarising the areas that had been closely monitored, achievements and changes that had taken place. It also proposed future agenda items and potential themes going forward into 2014/15.

The Constitution set out the remit of the Self-Regulation Select Commission which was to carry out overview and scrutiny of issues as directed by the Overview and Scrutiny Management Board.

The Select Commission agreed to focus its work around the theme of budget and performance. This was reflected in the issues identified by the Commission to be scheduled as part of the 2014/15 work programme. These included:-

- Revenue and capital budget monitoring.
- Corporate risk register.
- Complaints and compliments.
- Corporate Plan outcomes.

Additional areas identified included:-

- Workforce planning.
- Equality implications of budget decisions.
- 2015/16 budget setting process.
- Business rates administration, reliefs and support for micro-businesses (request from Cllr Beck) [possible joint work with Improving Places].
- Members should note that arrangements for the timetable to accommodate scrutiny of the budget setting process are yet to be finalised. This will be factored into the scheduled meetings (with additional meetings scheduled as appropriate) on confirmation.

Members' views were sought on whether the areas identified in Appendix A remained a priority for consideration in the work programme for 2014/15 and to determine if there were other areas the Select Commission wished to scrutinise.

The Select Commission wished to give further consideration to school reserves and non-essential spend and suggested that this also be included in the work programme going forward.

Discussion ensued on the budget setting process and whether the work programme could accommodate some flexibility, especially when budget pressures were identified.

Resolved:- (1) That the Select Commission's terms of reference and the role of overview and scrutiny as set out in the report be noted.

(2) That the work programme be approved, subject to the additional areas of school reserves and non-essential spend for inclusion in the 2014/15 work programme in line with the Commission's terms of reference.

85. DATE AND TIME OF NEXT MEETING

Resolved:- That the next meeting of the Self Regulation Select Commission be held at the Town Hall, Rotherham on the revised date of Thursday, 31st July, 2014 at 3.30 p.m.