

CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE**THURSDAY, 20 FEBRUARY 2003 AT 2.00 PM**

PRESENT: Councillor Guest (Chairman), Councillors Bain, Bowman, Bradley, S Fisher (as Substitute for J Mallinson), Joscelyne, Knapton (as Substitute for Councillor Jefferson) and Styth.

CROS.26/03 APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillors J Mallinson and Jefferson.

CROS.27/03 AGENDA

RESOLVED – That an item on a Government Consultation Paper on Regional Government be accepted as an urgent item of business in order to allow the Executive and the Council to consider the views of this Committee prior to the City Council submitting its formal response.

CROS.28/03 MINUTES OF PREVIOUS MEETINGS

The Minutes of the previous meetings of the Committee held on 9 and 16 January 2003 were submitted for noting.

The Overview and Scrutiny Manager provided an update on the following:

- CROS.11/03- Waste Management - the Committee's request to see the Report which was due to be submitted to the Executive on 6 February had been overtaken by events, but the Infrastructure Overview and Scrutiny Committee would be considering a Report on Waste Management. The Head of Environmental Protection Services would write to Members with details of the itemised funding which they had requested at the last meeting.
- CROS.12/03 - Crematorium Renovation - the details were operational and could be circulated to Members for information.
- CROS.22/03 - the Committee would be included as consultees on Forward Plan items on Local Public Service Agreements and Information Systems Strategy. These items had slipped from their original Forward Plan dates.

RESOLVED – (1) That the Minutes of the meeting of 9 January and 16 January 2003 be noted, subject to CROS.9/03 being amended as the Declaration of Interest stated that

Councillor E Mallinson was the County Councillor for the Petteril Bank Community Site Project area.

(2) That the Head of Environmental Protection Services write to Members of this Committee with details of itemised funding for the £90,000 revenue and £150,000 capital costs in 2003/04 together with the respective funding from Carlisle City and Eden District Council.

(3) That the Head of Environmental Protection Services circulate the Crematorium Renovation details to Members of this Committee for information.

CROS.29/03 CALL-IN OF DECISIONS

There were no matters which have been the subject of call-ins.

CROS.30/03 WORK PROGRAMME

The Overview and Scrutiny Manager presented the Overview and Scrutiny Work Programme for 2002/03 which took into account matters scheduled to be dealt with by this Committee. He highlighted the following points from the Programme:-

(a) Performance Monitoring - The Policy Performance Officer was working on a new set of output-based and more focussed performance indicators which could be used by Overview and Scrutiny Committees for future performance monitoring.

(b) Monitoring of Lower Quartile Performance Indicators in relation to Sickness Absence/Ill Health Retirement and Benefit Users' satisfaction – these would be reported to a future meeting of the Committee.

(c) Area Working – The Executive had not yet considered the resolution agreed by the Committee at the last meeting. The Vice-Chairman would attend the next Executive meeting when this Committee's resolution would be considered. Members asked the Vice Chairman to make it clear to the Executive that the Committee wanted to know if it was worth spending time examining Area Working.

RESOLVED – (1) That the update on the Work Programme be noted.

(2) That the Vice Chairman establish the Executive's position on whether it is worth taking time to give Area Working further examination.

CROS.31/03 FORWARD PLAN

The Overview and Scrutiny Manager presented Report LDS.10/03, highlighting issues with the ambit of this Committee included within the Forward Plan of Executive Decisions for the period 1 February to 31 May 2003.

RESOLVED – That the Report be noted.

CROS.32/03 BUDGET OVERVIEW AND MONITORING REPORT - APRIL TO DECEMBER 2002

With reference to Executive Decision Reference EX.025/03, the Head of Finance submitted Report FS.9/02 on the overall budget position, the monitoring and control of expenditure against budget allocations and the exercise of virement on a regular basis. The Report had

been submitted to the Executive on 6 February 2003 in accordance with the City Council's Financial Procedure Rules.

The Accountancy Services Manager attended the meeting and outlined the contents of the Report, providing an overview of the budgetary position for 2002/03 and summarising the main changes to the budgets since they were approved in February 2002 for both General Fund Revenue and Capital Budgets. She advised that the 2003/04 budget would be amended to reflect the changes within this Report.

In considering the Report, the following issues were highlighted:-

(a) Democratic Representation Budget - this had been underspent by £20,000 mainly due to an underspend in Member Training, Conference Fees and Member Subsistence Expenses. Members were concerned that this underspend had arisen due to the lack of clarity on the processes for accessing the budgets, the absence of information being sent out by either officers or the portfolio holder on how to access training budgets and confusion over whether travel and subsistence have to be paid for from within these individual budgets. Members would object to the budget being reduced because it had been underspent as the underspend had arisen purely because of the lack of clarity on how to access budgets. In addition there was concern at the loss of the £150 per Member Individual Learning Account and Members stated that they would like to see this reinstated.

(b) The Council's accounting system - Members supported the principle of using the system more effectively, specifically recording expenditure commitments and profiling budgets. They suggested that if there was a training need for new Heads of Business Units and other Officers in relation to this accounting system that they would support the addressing of that training need.

(c) New Deal Accumulated Surplus. The use of this fund was being investigated to see if the surplus could be used by the Council or would have to be redistributed between partners. Members requested more detail on this matter for a future meeting of the Committee.

Ms Taylor then gave detailed responses to Members' questions in relation to East Cumbria Countryside Project, Archaeology Work in Botchergate and Projections in relation to Car Parking income.

RESOLVED – (1) That the Head of Member and Employee Services be asked to look at the Democratic Representation Budget and review the whole Member Training aspect of the Budget and the processes by which Members can access this Budget. He should also look at making up the additional £150 former Individual Learning Account per Member.

(2) That the principle of using the Council's accounting system more effectively be supported and that if there is a training need for Heads of Business Units and other Officers in relation to the use of this accounting system, the Committee would support addressing that training need.

(3) That the Head of Finance provide more detailed information to a future meeting of this Committee on the use of the New Deal Accumulated Surplus which had been generated by the contract over the last four years.

CROS.33/03 STRATEGIC AUDIT PLAN FOR 2003/04 TO 2006/07,

AUDIT PLAN 2003/04 AND PROPOSALS FOR VALUE-

FOR-MONEY STUDIES

The Audit Manager submitted Report FS.12/02 providing details of the Strategic Audit Plan for the years 2003/04 to 2006/07 and the Audit Plan for 2003/04. The Report also included details of proposed Value for Money/Performance Review Studies which had been submitted for Members' consideration and agreement.

Members considered the proposed Value for Money/Performance Review Studies which included Partnerships, Renewals Fund and Charitable Funds. In addition, they suggested that there should be a value-for-money study on the use of consultants by the City Council focussing on what the Council was receiving in way of services from these consultants, how much was being paid to consultants and how consultants could be used in an appropriate way. Mr Beckett thought that he would have the resources to undertake this additional study.

Mr Beckett then presented his Strategic Plan for the years 2003/04 to 2006/07 and highlighted the Annual Plan for 2003/04. He advised that the Audit Plan had been circulated to all Heads of Business Units and that they had not stated any objections to the Plan.

He responded to various Members' questions in relation to external funding/grant monitoring as contained within the Strategic Plan and the allocation of audit days to the reviews of Carlisle Leisure and Carlisle Housing Association. He stated that the allocation of these may be insufficient but this would depend on the detail that his Officers needed to go into.

Mr Beckett advised that the Strategic Audit Plan had been prepared on a risk-based approach and that there was an overall shortfall of approximately 800 man days between the time required to complete the Plan and available resources. In response to Members' questions, he clarified that these 800 days were allocated over the four years and equated to 200 days per year which was roughly equivalent to one full-time member of staff.

RESOLVED – (1) That the Strategic Plan, attached as Appendix A, be noted prior to submission to the City Council for approval and that the Internal Audit Plan for 2003/04, attached as Appendix B, be approved with the following comments:-

- (a) That it be noted that the overall shortfall of approximately 800 man days between the time required to complete the Plan and available resources was over the four year period of the Strategic Plan and equated to approximately 200 days per year.
- (b) The allowance of 20 days in the Plan to cover a computer audit was supported.
- (c) The number of days allocated for monitoring the service delivery of Carlisle Leisure Limited and Carlisle Housing Association may be insufficient depending on the detail which Officers would need to go into.
- (d) The Audit Manager should seek clarification from the Head of Finance as to why she wanted external grant funding included in light of the recent Audit report.

(2) That the Value-for-Money/Performance Review Studies for 2003/04 be prioritised as follows:-

1 Partnerships

2 Renewals Fund

3 Use of Consultants by the City Council

4 Charitable Funds.

(3) That this Report be referred to the Executive to determine whether they have any requests for studies which they wished to be considered for inclusion in the Programme for 2003/04.

CROS.34/03 SUNDRY DEBTORS AND PERIODIC INCOME PERFORMANCE REVIEW

With reference to Minute CROS.157/02, when the Committee had scrutinised a Performance Review Study on Sundry Debtors Administration, the Head of Revenues and Benefit Services submitted Report RB.10/02 detailing action plan targets and a timetable arising from that Review.

The Action Plan had been formulated to address the key findings from the Performance Review and focussed on the following areas with an agreed action and timescale for implementation for each area:-

1. Corporate Debtor Recovery Procedures
2. Enhanced IT Support
3. Comprehensive Performance Monitoring
4. Location and Staffing Arrangements of the Central Debtors Team
5. Crediting in advance of payment
6. Bad Debt provision
7. Standard Debtors stationery

In response to Members' questions, Mr Mason commented as follows:-

(a) The Revenues Manager was producing a new Procedure Manual on Corporate Debtor Recovery Procedures. It was expected that the Manual would be available in October 2003. The Audit Manager advised that he could look at some quick-fix solutions to use in the interim and that he would report these back to the Committee.

(b) Consideration was being given to reviewing the existing debtor system with a view to replacing it with a more effective and efficient software at a future date. This new software could have a positive effect on a number of the areas highlighted within the Action Plan, and it was suggested that the Head of Finance should be asked for a Project Plan and dates for the implementation of this new software.

RESOLVED – (1) That in relation to Corporate Debt Recovery Procedures, the Audit Manager and the Head of Revenues and Benefit Services investigate some quick-fix

solutions which could be used prior to completion of these Procedure Manual, and these solutions be reported back to this Committee.

(2) That the Head of Revenues and Benefit Services ask the Head of Finance to prepare a Report on a Project Plan for implementing the new debtor system software and that he amend his Sundry Debtors and Periodic Income Action Plan accordingly on the basis of this Project Plan and report back on progress with the Action Plan in 18 months.

CROS.35/03 COMPETITIVE TENDERING

With reference to Executive Decision EX.027/03, the Highway and Environment Manager attended the meeting and provided details of the Executive's decision on Competitive Tendering.

RESOLVED – That the decision of the Executive as detailed in EX.027/03 be noted and supported.

CROS.36/03 LEISURETIME OVERSPEND 2002/03

With reference to Minute CROS.07/03, the Strategic Finance/Business Analyst attended the meeting and submitted Report FS.11/02 providing an analysis of the overspend on the Leisuretime Budget for 2002/03.

In response to Members' questions, Ms McGregor explained that no other parts of Leisure's planned expenditure had suffered through cuts in order to meet the projected overspend, as general underspends had occurred throughout the year. She advised that the level of underspends would have been monitored on a monthly basis and reported as per the usual reporting arrangements.

RESOLVED – That the Committee was satisfied with the Officer's explanation of the Leisuretime Overspend for 2002/03.

CROS.37/03 COUNCIL TAX AND NON-DOMESTIC RATES (NNDR) PERFORMANCE INDICATORS

Further to Minute CROS.151/02 the Head of Revenues and Benefits Services submitted report RB.6/02 on Council Tax and Non-Domestic Rates Performance Indicators. Mr Mason introduced Mark Wilson, the Revenues Manager.

The report had arisen after the Committee had considered the Council's Council Tax and NNDR Collection Performances which had been seen as poor based on Best Value Indicator BV9 – Percentage of Council Tax Collected in Year Demanded and Best Value Indicator BV10 – Percentage of NNDR Collected in Year Demanded. He highlighted the words "in the year demanded" which affected the Council's performance as they performed far better in relation to total amount collected.

Mr Mason then gave a presentation which:--

(a) Put the above indicators into the context of overall Council Tax/NNDR Administrative/Collection and Recovery Practices.

(b) Advised on overall Best Practice to be incorporated within Council Tax/NNDR Administration to obtain a good Best Value and Comprehensive Performance Assessment

rating.

(c) Detailed actions currently being progressed in anticipation of the Best Value Review of Revenues and Benefits in 2002/03 to facilitate and improve performance including the above Best Value Indicators.

He highlighted the initiatives which were currently being progressed to increase "in year" collections which included:

- (1) Increasing payment options available to the public.
- (2) More effective targeting of recovery resources in recovering "in year" balances.
- (3) Changes to the way reminder notices are issued.
- (4) Other initiatives including partnership working with the Private Sector and a Post Office payment facility.

Mr Mason then answered various Members' questions on the actions which were being taken to improve performance. In particular, he provided details of the pilot which was being introduced on a 3 month basis whereby reminder notices would be sent out 1 calendar month after the missed payment rather than after 2 weeks as at present.

RESOLVED – That it be recommended that the Council sets the Revenues Section an initial target of moving out of bottom quartile in respect of "in year" collections, ie BV9 for Council Tax, BV10 for NNDR, by 31 March 2005 and then reviewing and setting targets for further improvements over the longer term with the Best Value Review acting as a mechanism for achieving this.

CROS.38/03 REGIONAL GOVERNMENT: GUIDANCE ON SEEKING SENDINGS

Further to Executive Decision EX.008/03, the Committee were being asked for their views on the Government consultation document on the level of interest in holding referendums on elected regional assemblies and the draft guidance on local government reorganisation in areas which have referenda.

The Committee had available for consideration the Chief Executive's report (CE.01/03) which had been considered by the Executive. The report stated that the decision as to which region(s) should be invited to hold a referendum rests with the Secretary of State, but there would be no compulsion as it is up to each region to demonstrate that there is sufficient support for regional Government and for a referendum to be held.

The Bill also required that any Region permitted to progress to a referendum would be subject to a review of local government in that Region to establish a wholly Unitary pattern of local government. The review would be carried out by the Boundary Committee of the Electoral Commission. That Committee would be independent and could recommend any form of unitary authorities appropriate in a region. The report contained a number of specific points which had been made by the Electoral Commission and the Commission's Boundary Committee.

During discussion, it was stressed that the Committee were being consulted on whether a referendum should be held and on the proposed process for and **not** on whether Regional

Government or any future unitary option is supported or otherwise.

After discussion and voting, it was

RESOLVED – That the following views of the Committee be forwarded to the Executive for onward transmission to the City Council:

- (1) The **fullest** local consultation should be carried out.
2. A referendum should be held in the North West of England.
- (3) The Committee note and think that it is important that the Boundary Committee have stated that no criteria have been established for minimum or maximum population size.
- (4) The Committee note and are supportive of the Boundary Committee being asked to consider County functions being carried out by smaller units.
- (5) The Committee notes that the proposals do not state the extent to which new authorities can cross district and county boundaries within a region.

(The meeting finished at 4.20pm)