

**COUNCIL RESOURCES OVERVIEW AND SCRUTINY COMMISSION
HELD ON 19 SEPTEMBER 2005
(FROM 5.30 PM TO 8.35 PM)**

PRESENT: Councillor Andrew Jones in the Chair. Councillors Broadbank, Galloway, Hinchcliffe, Peter Phillips, Charlie Powell, Simms and Theakston.

Late Arrivals: None.

Early Departures: Councillor Powell at 6.35 pm.
Councillor Theakston at 7.00 pm.
Councillor Galloway at 7.27 pm.

24/05 - APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTES:

An apology for absence had been received from Councillor Harrison. Notification had been received that Councillor Galloway would act as a substitute for Councillor Clark, Councillor Broadbank for Councillor Hoult and Councillor Hawkins for Councillor Fox.

(5.30 pm)

25/05 - DECLARATIONS OF INTEREST: There were no declarations of interest.

(5.30 pm)

26/05 - MINUTES:

RESOLVED:

That the Minutes of the meeting of the Council Resources Commission held on 18 July 2005 be approved as a correct record and signed by the Chair.

(Four Members voted for the motion and there were four abstentions).

(5.31 pm)

(D)

27/05 - EXEMPT INFORMATION: There were no exempt information items.

(5.31 pm)

28/05 - PUBLIC ARRANGEMENTS – QUESTIONS: There were no questions to consider.

(5.32 pm)

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SCRUTINY CONSULTATION

29/05 - **BENEFITS AND LOCAL TAXATION BEST VALUE SERVICE IMPROVEMENT PLAN – IMPLEMENTATION PROGRESS REVIEW:** The Chair introduced the Head of Revenues and Benefits, Mr Keith Simpson, who had attended the meeting to provide the Commission with a presentation in relation to the Benefits and Local Taxation Best Value Service Improvement Plan. Members were referred to a copy of the report circulated with the agenda in relation to the implementation progress review, which was to be read in conjunction with the presentation.

Mr Simpson referred to the purpose of the presentation, introduced the Benefits/Revenues/Support Systems and Systems Development Managers forming the Revenues and Benefits Senior Management Team, who had all contributed to the Service Improvement Plan and the improvement of the Revenues and Benefits Service. Mr Simpson then provided Members with some background to the Service Improvement Plan and highlighted certain aspects of the plan, including the 17 project themes running over a four year period up to 2007. The Plan was considered to be dynamic in terms of the review and updating mechanism which had been designed to meet changing needs and circumstances. Mr Simpson advised that the Plan had led to seventy nine sub-projects of varying size. The Commission was then referred to the key achievements during the period 2003 to 2005, both customer and non-customer facing, and then highlighted plans for 2005 to 2007 again, in customer and non-customer facing objectives. In conclusion, Mr Simpson advised that as a direct result of the Service Improvement Plan, there was now a stronger emphasis on customer service within the Revenues and Benefits section than ever before and coupled with this section's track record in delivering change, it was believed all the signs looked good for the future.

Councillor Simms, a Member representative of the Benefits and Local Taxation Best Value Review Steering Group led the Commission in thanking Mr Simpson for the presentation and his work and efforts in implementing the plan and leading the section to deliver the progress made to date.

The Chair then invited Members' questions on the presentation and improvement plan. It was noted that the Head of Revenues and Benefits was optimistic that the plan would be delivered on time, and that one of the main projects facing the authority at this time, the Customer Relations Management (CRM) System, would serve as a catalyst for further change within the Revenues and Benefits Section. Members also queried the increased use of technology by customers interacting with the authority to, for example, progress queries and pay bills. It was noted that in the future staff would be examining ways of assisting customers further still in contacting the Council using technologies such as the Council's website facilities and/or video telephones. Potentially these facilities would be far cheaper for the authority to employ when compared to the cost of establishing permanent staff resources in rural locations.

In conclusion, the outgoing Head of Revenues and Benefits, Mr Keith Simpson, referred to his impending retirement and having taken the opportunity to thank

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members and officers for their support over recent years introduced the new Head of Revenues and Benefits, Mr Steve Hoyes.

It was agreed that a further progress report would be submitted to the Commission in twelve months' time.

(5.32 pm – 6.20 pm)

30/05 - CPA 2005, VALUE FOR MONEY SELF-ASSESSMENT, INITIAL DRAFT:

The Strategic Policy Officer submitted a written report, the purpose of which was to present the initial draft Value For Money (VFM) self-assessment document to the Commission for consideration. The self-assessment provided an overview of the Council's costs and performance in 2004/05 compared to the other 15 Councils in the CIPFA family comparator group on the Audit Commission's VFM website. Details of that comparator group were attached as Appendix 2 to the report.

The Strategic Policy Officer then provided Members with a presentation in relation to the VFM self-assessment, discussing issues such as the context of the self-assessment process, the value for money profile, the care needed in using the VFM results, initial assessment issues, the Council's overall value for money, external factors affecting VFM, the performance of core services in relation to VFM and the future timetable for driving the project forward. The Strategic Policy Officer then invited Members' questions on the presentation and the VFM self-assessment.

In response to Members' questions, the Strategic Policy Officer advised that there was significant correlation between the Council's corporate priorities, the outcomes of the value for money assessment and the current service cost and performance monitored by the Council. The Officer emphasised that VFM assessments provided a signpost as to which services may require further review and examination. Members queried whether the other Councils in the CIPFA family comparator group were sufficiently similar. The Strategic Policy Officer **agreed** to raise this issue with the Audit Commission as part of the on-site VFM assessment process. He explained that Harrogate had been grouped with 15 other authorities on the basis of population and demography. However, when looked at further, the comparator group did not seem comparable when considering issues such as the number of leisure centres which in the Harrogate District totalled six, whilst in the comparator authorities such as Taunton or Maidstone, only one leisure centre was Council-operated.

Members queried Harrogate's comparative unapportionable central overheads in Appendix 2. It was noted that Harrogate had the second highest level of central overheads of the comparator group. The Strategic Policy Officer explained that Harrogate Borough Council had followed the CIPFA guidelines in that regard and that Harrogate's central overheads shown in Appendix 2 included £1.25m of back-funding pension costs which skewed costs in relation to those of the other comparator authorities.

The Commission recognised the time restrictions imposed and congratulated the Strategic Policy Officer and his assessment team on the good work undertaken. It viewed the work as very positive and **agreed** that it should form the basis of future work as proposed in the report.

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It was **AGREED** that the Commission's views be forwarded to the Cabinet for consideration. In summary these were:

- (1) the Commission use the self-assessment as a basis for future work and work with the Cabinet to plan this effectively;
- (2) the Commission were keen to see the Council develop the approach of bringing financial and performance information together in one report. This could include presenting the value for money information relevant to each Corporate Priority;
- (3) justification for the choice of comparable authorities should be sought from the Audit Commission during the on-site inspection in November 2005.

(7.27 pm – 7.55 pm)

31/05 - MEDIUM TERM FINANCIAL STRATEGY 2006/2007 TO 2008/2009 AND STRATEGIC PLAN:

PART 1 - MINUTE

The Strategic Policy Officer submitted a written report which invited the Commission to consider its response to the Draft Medium Term Financial Strategy and Strategic Plan.

Attached as appendices to the written report were a series of questions in relation to the two documents. These questions had already been considered by the Community Services and Environment Commissions and their views on the Strategic Plan etc were circulated at the meeting and would be reported to Cabinet at its meeting to be held on 21 September 2005.

The Strategic Policy Officer then circulated details of the stakeholder consultation results (carried out in August 2005) regarding Harrogate Borough Council's Corporate Priorities and Budget for 2006/2007. The consultation included the District Panel, Voluntary Sector, business sector, Parish Councils, employees and Members. This information was provided to the Commission to help it formulate its response to Cabinet.

It was **AGREED** that the Commission's views be forwarded to the Cabinet for consideration. In summary these were:

- (1) The Commission considered the comments from the other Commissions and agreed that the vision as presented was still appropriate without reference to partnerships.
- (2) The Commission agreed with the Council's ambition to improve as an organisation.
- (3) The Commission identified and ranked the top six Corporate Priorities, these were:

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Rank 1 =	Caring for the Environment
Rank 1 =	Delivering First Class Public Services
Rank 3	Local Economy
Rank 4	Affordable Housing
Rank 5	Traffic and Transport
Rank 6	Keeping our District Safe

- (4) The Commission do not comment on the 12 Strategic Priority Actions.
- (5) The Commission agreed that if there was additional expenditure available in 2006 / 2007 the most important area for additional expenditure would be Recycling and Waste.
- (6) The Commission agreed that it would be prepared to use a variety of methods to maintain a balanced budget, including no additional expenditure on services and increasing fees and charges and finally but to be avoided if at all possible, reduction in services.

PART 2 – REVIEW

The Strategic Policy Officer submitted a written report which invited the Commission to consider its response to the Draft Medium Term Financial Strategy and Strategic Plan.

Attached as appendices to the written report were a series of questions in relation to the two documents, which the Commission was directed to and invited to consider in terms of a response to the Cabinet. These questions had already been considered by the Community Services and Environment Commissions and their views on the Strategic Plan, etc, were circulated to the meeting and would be reported to Cabinet at its meeting to be held on 21 September 2005.

The Strategic Policy Officer then circulated details of the stakeholder consultation results carried out in August 2005 regarding Harrogate Borough Council's Corporate Priorities and Budget for 2006/2007. The consultation included the District Panel, Voluntary sector, business sector, Parish Council, employees and Members. This information was provided to the Commission to help it formulate its response to Cabinet.

In relation to Appendix 1, the Commission considered the comments from the other Commissions and concluded that the vision agreed by Council in September 2004 was still appropriate to the issues across the Harrogate District without reference to partnerships.

There was some discussion regarding the phrase "encouraging everyone to share in success". It was queried whether "encouraging" meant putting funding into getting people to actively participate or did it mean people participating with the services it provided at no additional cost to the Council. It was suggested that "enabling everyone to share in its success" could be an alternative form of wording. A view was expressed that "encouraging" could mean marketing and promotion and that the long term vision could be interpreted differently by different people.

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There was a general view that it would be difficult to achieve the vision and that goals must be realistically set before they could be achieved.

There was a specific comment that the vision encouraged people to live in the Harrogate District and it was remarked upon that the Council was actually sending homeless people to Leeds.

It was noted that the Commission agreed with the Council's ambition to improve as an organisation in terms of the delivery of the six Corporate Priorities.

There was a view that funding should be available to deliver the Council's ambition to improve.

There was a view that distinctions between rural and urban should be avoided and that the vision, goal and priorities applied to the whole District.

The Commission was then asked to rank the six Corporate Priorities and, following a discussion, the Commission's views on ranking the priorities were:-

1st = Caring for the Environment.

The Commission considered this a priority as it included recycling.

1st = Delivering First Class Public Services.

3rd Local Economy.

4th Affordable Housing.

There was a comment that affordable housing was difficult to achieve with a lower Paid economy and the Council not being able to build near Council owned housing.

5th Traffic and Transport.

6th Keeping our District Safe.

The Commission considered generally that the views expressed by some Councillors were based on what they would like the Council to do and not on what it could do.

The Commission made no comments on the 12 Strategic Priority Actions in Appendix 2.

In relation to Appendix 3, on balancing the budget, Members were asked to consider how any additional expenditure available in the 2006/2007 budget should be spent. The Commission unanimously agreed that Recycling and Waste was its top priority on the basis that not only was it desirable but that there could be Government sanctions if the authority could not demonstrate good progress in this area. The possibility of recycling plastics was also supported and other comments included finding ways of utilising waste and working with the other organisations that already do it.

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Finally, in relation to balancing the budget, the Commission was asked to consider how it would wish to achieve a balanced budget given the following choices: -

- a reduction in services,
- no additional expenditure,
- an increase in fees or charges or
- other methods.

The Commission considered its response and it was agreed that Members would want to see a balanced budget. The Commission agreed that it would be prepared to use a variety of methods to balance the budget including no additional expenditure on services and increasing fees and charges. It was recognised that fees and charges would be subject to individual market forces for each service and the use of price to shape demand was a complex issue that would have to be carefully considered. Finally, but to be avoided if at all possible, reducing services could be included.

RESOLVED (UNANIMOUSLY):

That the Commission's views be forwarded to the Cabinet for consideration. In summary these were:

- (1) The Commission considered the comments from the other Commissions and agreed that the vision as presented was still appropriate without reference to partnerships.
- (2) The Commission agreed with the Council's ambition to improve as an organisation.
- (3) The Commission identified and ranked the top six Corporate Priorities, these were:

Rank 1 =	Caring for the Environment
Rank 1 =	Delivering First Class Public Services
Rank 3	Local Economy
Rank 4	Affordable Housing
Rank 5	Traffic and Transport
Rank 6	Keeping our District Safe
- (4) The Commission did not comment on the 12 Strategic Priority Actions.
- (5) The Commission agreed that if there was additional expenditure available in 2006/07 the most important are for additional expenditure would be Recycling and Waste.
- (6) The Commission agreed that it would be prepared to use a variety of methods to maintain a balanced budget, including no additional expenditure on services and increasing fees and charges and finally but to be avoided if at all possible,

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reduction in services.

(6.20 pm – 7.00 pm)

(D)

MATTERS HOLDING THE EXECUTIVE TO ACCOUNT

32/05 - **2004/2005 PERFORMANCE INDICATORS – YEAR END REPORT:** The Strategic Policy Officer submitted a written report, the purpose of which was to provide an overview of the Council's performance in 2004/2005 on its performance indicators (PI's). The report contained information on both the national PIs (BVPIs) and locally set performance indicators. The report also highlighted those performance indicators within the Council's corporate basket of PI's. The Commission was invited to pay particular attention to the PI's for which it was responsible. The Chair referred to paragraph 5.1 in relation to overall performance and expressed concern that 37% of the performance indicators had decreased in performance.

Members expressed concern in relation to the number of indicators reported to the Commission. It was Members' view that too much information/detail would not allow Members to concentrate on the relevant performance issues. It was also the Commission's view that they should concentrate only on those issues that they could actually either directly control or influence. The Strategic Policy Officer advised the Commission that Members should decide which Performance Indicators they wished to track as a Commission. Members were concerned about the time and resources needed to collect the performance information and, whilst the Commission agreed the need to receive quarterly performance monitoring reports as a minimum standard, the amount of detail required to carry out its duty on the overall scrutiny of a function is less than that needed to manage a service.

RESOLVED (UNANIMOUSLY):

That the report be received and the position noted.

(7.55 pm – 8.15 pm)

(D)

33/05 - **2005/2006 CORPORATE BASKET OF PI'S QUARTER 1 REPORT:** The Strategic Policy Officer submitted a written report, the purpose of which was to outline the Council's performance in Quarter 1 2005/2006 on those Performance Indicators (PI's) included within the Council's corporate basket of PI's for which the Commission was responsible. The report focussed on those PI's that were unlikely to meet their year-end performance target.

RESOLVED (UNANIMOUSLY):

That the report be received and the position noted.

(8.15 pm – 8.20 pm)

(D)

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34/05 - CAP TOP PRIORITY ACTIONS – 2005/2006 – QUARTER 1 UPDATE:

The Strategic Policy Officer submitted a written report, the purpose of which was to update the Commission on the progress made in Quarter 1 (April-June) 2005/2006 on the top priority actions in the Corporate Action Plan (CAP).

RESOLVED (UNANIMOUSLY):

That the report be received and the position noted.

(8.20 pm – 8.21 pm)

(D)

35/05 - FORWARD PLAN OF KEY DECISIONS: The Chair referred to a Forward Plan submission in relation to the Replacement (FMS) Financial Management System. It was noted that this decision would fall within the Commission's remit and would be of interest to Members in due course. Members noted the latest Forward Plan submissions.

(8.21 pm – 8.25 pm)

36/05 - CABINET AND CABINET MEMBER DECISIONS: The Chair referred to item 4 in relation to a Rent Review for the Queens Moat House, Harrogate and invited the Commission to consider whether further detail was required in relation to the nature of the rent review, and the system used in calculating the rent figure applicable to that site.

RESOLVED (UNANIMOUSLY):

It was **AGREED** that a brief report on the system used by Officers to calculate the rent figure during the most recent review be requested and brought to a future meeting of the Commission.

(8.25 pm – 8.27 pm)

(D)

SCRUTINY MATTERS AND REVIEWS UNDERTAKEN BY THE COMMISSION

37/05 - REQUESTS FOR INCLUSION OF ITEMS IN FUTURE WORK

PROGRAMME: The Chair referred members to the Commission's existing work programme, specifically the review in relation to the criteria for the allocations of funds under the Member Budget Scheme. The Scheme had ceased in March 2005. Members were minded to report to Council that more important issues now faced the commission and that this review had always been considered to be a relatively low priority since it was considered unlikely that there would ever be sufficient funds to reinstate the Ward Budget Scheme. On that basis there did not seem to be any reason to review a now defunct scheme. It was the Commission's view that should Council still consider this matter to be worthy of consideration, then additional resources should be allocated to progress it as such.

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RESOLVED (UNANIMOUSLY):

That a report be submitted to Council along the lines detailed above.

(8.27 pm – 8.35 pm)

(D)