



# Minutes

Name of meeting	<b>OVERVIEW AND SCRUTINY COMMITTEE</b>
Date and time	<b>THURSDAY, 15 APRIL 2010 COMMENCING AT 6.00 PM</b>
Venue	<b>COMMITTEE ROOM ONE, COUNTY HALL, NEWPORT, ISLE OF WIGHT</b>
Present	Cllrs Jonathan Bacon (Chair), Reg Barry, George Cameron, Vanessa Churchman, John Hobart, Heather Humby, Julie Jones-Evans, Colin Richards, Ian Ward, Margaret Webster, David Williams
Officers Present	Jonathan Baker, Dave Burbage, Stuart Love, Heidi Marshall, Paul Thistlewood
Also Present (non voting)	Cllr David Pugh

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26. **Minutes**

RESOLVED:

THAT the Minutes of the meeting held on [1 February 2010](#) be confirmed.

27. **Declarations of Interest**

There were no declarations at this time.

28. **Performance Management**

Quarterly Performance Management Report – Quarter 3 2009/10

The Committee discussed the Council's performance and strategic risks for the third quarter of 2009/10 ending 31 December 2009 which had been considered by the Cabinet 30 March 2010. The Leader advised the Committee that on this occasion the report included a number of actions aimed at addressing a number of areas of concern.

Members sought clarification on a range of issues contained within the report which included the following.

(i) Inclusion of Achievements

The Committee enquired whether achievements were part of the measurable performance management framework or just good news. The Leader advised

that achievements were seen as an important element of performance and service delivery. Only a small sample of achievements would be included in the report. The Committee believed that there should be a stronger link shown between achievements and performance in future reports.

(ii) Timeframes Around Recommendations by Cabinet

In welcoming the inclusion of recommended actions within the Cabinet report the Committee asked whether a time frame could be set against them. The Leader advised that some broad indications of completion dates was given at the Cabinet meeting and these would also be included within the Forward Plan.

(iii) Key Council Priorities

The Committee asked on the progress being made with regard to school reorganisation and in particular staffing and accommodation. The process for teaching staff was nearly completed and then a similar exercise would be undertaken with regard to support staff. Appropriate accommodation would be in place by the start of September 2010.

With regard to transforming social care the committee queried the number of people that would be entitled to personal budgets as well as whether the result of major variances shown within the budget report under Adult Services where learning disability, residential home and nursing care costs were partially offset by savings on other client groups care package costs or not.

Members were briefly advised on background to how personal budgets would operate. The relevant scrutiny panel would receive a more detailed update on this at its special meeting on 20 May 2010. With regard to the major variances within the budgets this related to the need to review various cases as well as the process required to identify critical and high need cases.

On the issue of the budget for supporting people the resources would be aimed at being targeted to those most in need and priority given to accommodation based services.

Members noted that a quarterly business survey had been undertaken in connection with business support. Details of how this was undertaken were requested.

The Committee was assured that the delay in the Regional Fire Control Centre would not impact on the fire service modernisation project. It was also noted that the size of the proposed new Newport station would enable a control facility to be located on the site if required. All the new whole time fire-fighter positions had been filled by existing retained personnel.

In connection with the transformation programme the Committee was advised of the timescales for the introduction of phase 2 of BSIP which was based upon the experiences of dealing with the implementation of phase 1. Members indicated that there should be a more detailed report on the overall BSIP project at a future meeting.

(iv) Other performance issues

The Committee queried that although the performance information for Cowes Ferry identified that the number of vehicular crossing had increased the budget paper showed that there was a reduced income. It was explained that this was due to the non implementation of changes to the cost of books of tickets at the start of the financial year.

The Committee discussed the problems encountered with the operation of the Gasification Plant which having implications on the amount of waste being land filled. The Council had been in continuing talks with the plant's owners and Biffa to ensure that targets were being achieved.

The target for the number of bus journeys was not being reached but members enquired whether there would be a reduced level of expenditure associated with this. They were advised that in theory there should be a reduction on council expenditure on concessionary fares however the level of reimbursement was subject to an appeal by Southern Vectis. The Strategic Director of Resources advised members that the minimal risk of the council being unsuccessful in the appeal had been accounted for and as a result, resources had been identified in the unlikely event that they would be required.

The Committee was informed that although the figure for complaints in Adult and Childrens services would be dealt in a separate manner they would still be recorded under the same corporate theme.

The performance information regarding the completion of freedom of information requests within the statutory timescale was again an area to watch. It was for this reason that it was intended to undertake an enquiry into this area.

Discussion took place on the cumulative total of identified savings as an area to watch. It was important to the Council's overall budget strategy for this to be on target. An outline was given of the processes put in place through Star Chambers to monitor progress on a monthly basis. This included the amount raised through fees and charges. The Committee believed that it should ensure that it looked in further detail at savings and income generation at future meetings.

RESOLVED:

- a) THAT the Cabinet Member be recommended that in future reports on performance management there should be the link shown between achievements and performance measures where possible and that a timeframe should be given in the actions approved agreed by the Cabinet.
- b) THAT the Adult Social Care Scrutiny Panel should be advised of the likely number of clients entitled to personalised budgets at its meeting on 20 May 2010
- c) THAT the details of the methodology of the quarterly business survey be circulated to members of the Committee.

- d) THAT a detailed report on BSIP and any relating issues be submitted to the Committee at its meeting on 9 September 2010.

### Financial Management

The Committee considered the financial management report for quarter 3 and update on the overall financial position of the Council as reported to Cabinet on 30 March 2010. It raised a number of issues connected with this including the following:-

(i) Revenue Budget Monitoring

The Committee asked whether measures were being undertaken to reduce the impact of known areas of over expenditure. The Strategic Director of Resources advised that the Star Chamber would be monitoring all expenditure and this would also assist in the formulation of the 2011/12 budget. This exercise would also include income generation.

(ii) Staff Savings

Members sought clarification on the policy on vacancy management. It was noted that there was an overall council policy and each directorate had a particular savings target to meet. All vacancies would be subject to an authorisation to recruit process and some positions would only be advertised internally. Some would be on a time limited basis if BSIP impacted upon the service area. All permanent staff advertising would be authorised by the Chief Executive and in some cases would be agreed by the Employment Committee.

(iii) Capital Programme –Slippage in 2009/10

The Strategic Director of Resources advised that there would be a large amount of slippage with regard to education, partly due to the projects such as the One School Pathfinder being subject to the rigorous procurement process the council deployed as well as other areas being held back owing to the school reorganisation process. It was also conceded that some areas of the capital programme had been subject to unrealistic targets being set initially. The process for capital schemes was being tightened but the council needed to remain cautious in not becoming over ambitious and unrealistic about the timescales for delivery of schemes. The procurement process could take a protracted period of time from the invitation to tender to the award of contract if came within the EU regulations threshold.

(iv) Superintendent Registrar

Members of the Committee asked about the projected overspend of £77,000 with regard to Northwood House functions and some of the costs had not been included in the base budget. The Strategic Director of Resources advised that due to the ongoing deterioration of the

building it was not possible to achieve the level of income generation originally anticipated.

(v) Compliance and Procurement

In response to the Committee's query on an overspend in this area it was noted that this was largely due to the extra procurement procedures put in place following the lessons learned from the Undercliff Drive investigation..

This action had required the appointment of additional staff on an interim basis in order to support the robust procedures. There had been no extra budget allocated to accommodate these measures but the position had been managed by making savings from elsewhere. It was intended to rectify the matter from April 2011.

(vi) Highways – Overspend of £721,000

Members were given a breakdown of the reasons for the over spend. The Strategic Director of Environment and Economy advised that approximately £450,000 related to the costs associated with the cancellation of the Ryde Gateway Project. The remaining balance consisted of the Penalty Charge Notices (PCN's) income being lower than anticipated as well as additional costs incurred around reacting to the severe winter weather.

(vii) Community Safety – Increased Coroners Costs

Members enquired what the increased costs were in relation to coroner's costs and whether there was a grant from central Government for such expenses. The Strategic Director of Environment and Economy advised that costs had not actually increased and that there had been an over spend within the area for some years, although this had been previously covered by savings in other areas. There was no government grant available and the council had an obligation to fund the service. Some costs were relatively stable such as salary expenses whilst others related to the number of deaths the coroner had to deal with.

RESOLVED:

THAT a copy of the savings policy as agreed by Directors in late 2009 be circulated to the Committee.

29. **Budget**

The Committee discussed the response by the Cabinet Member for Resources to recommendations it made at its meeting held on 1 February 2010 in relation to the 2010-2011 budget.

The Committee challenged the response to its third recommendation where it still believed that the quarterly performance report should identify services where budget reductions had been made. The difficulties of directly relating expenditure with

performance was explained. It was accepted however that where possible, and appropriate, the commentary provided to the performance management report would highlight if financial resources was a factor.

The Cabinet Member did not feel that the inclusion of the formal views of key partners on the implications of the council's budget on their services being contained within the council budget papers was an effective way forward. The Committee's fourth recommendation would present a difficulty due to the different timescales involved by partners in budget processes. Awareness of each others plans and proposals along with the impact was seen as being important. However, with specific proposals which impacted on the LAA or delivery of outcomes, the consultation, views and assessed impact would be set out within the budget papers.

The Leader of the Council reminded the Committee that all key partners fully participated in the consultation period of the council's budget.

Recommendation five had requested that a reporting mechanism should be implemented for Cabinet Members to report formally to the Committee, or relevant Scrutiny Panel, when an overspend or an unachieved saving, which exceeded £100,000, indicating the reasons along with actions being undertaken to redress the matter. The Committee felt that the Cabinet Member's response that it could challenge all Cabinet reports relating to budget monitoring and management and ask more detailed questions was not seen as sufficient.

The availability of Star Chamber reports was raised. The Strategic Director of Resources advised that it was the role of Cabinet to receive such reports due to their accountability of delivering the budget, whereas it was the role of Scrutiny to hold the Cabinet to account. The Committee would also have the opportunity to request a more detailed account of specific areas of concern in relation to any areas of overspend highlighted within Cabinet reports should it feel appropriate.

The Leader of the Council stated that there would be a certain reluctance to set a threshold of overspend as some areas of the council would be much larger than others and therefore an overspend might not be as significant as first feared.

**RESOLVED:**

THAT the response of the Cabinet Member be noted.

**30. Workplan**

(a) **Freedom of Information**

The Committee considered the establishment of an Enquiry Task Group which would identify what improvements could be made to the way the Council deals with information rights so that systems are easier for the public to use and improvements brought about that can validly reduce the number of such applications. The Task Group would comprise Councillors Bacon, Churchman, Richards and Ward.

RESOLVED:

THAT the Enquiry Scoping Document be approved.

(b) Council Communications and Consultations

The Committee considered the establishment of an Enquiry Task Group which would look at the work of the Council's communications section, the council's consultation processes and the effectiveness of communications with the public and the resources required for it. The Task Group would comprise Councillors Bacon, Churchman, Humby and Ward.

RESOLVED:

THAT the Enquiry Scoping Document be approved.

(c) Recruitment and Retention of Staff

The Committee considered the establishment of an Enquiry Task Group which would look at the recruitment and retention policies, the use of interim staff, consultants and the Human Resources services. The Task Group would comprise Councillors Bacon, Cameron and Webster.

RESOLVED:

THAT the Enquiry Scoping Document be approved.

(d) Procurement

The Committee considered the establishment of an Enquiry Task Group which would review the effectiveness of the Council's procurement arrangements together with ways of assisting Island businesses in competing for the supply of goods and services. The Task Group would comprise Councillors Churchman, Hobart, Jones-Evans and Richards.

RESOLVED:

THAT the Enquiry Scoping Document be approved.

31. **Forward Plan**

(a) Forward Plan for the period April – July 2010

Members noted the Forward Plan for April – July 2010. No items were highlighted for discussion

RESOLVED:

THAT the Forward Plan be noted.

(b) Item Requiring a Decision that has not Appeared on the Forward Plan

Where an item has not appeared on the forward plan and a decision was required before the next publication date the Chairman of the Committee had to be advised in accordance with the constitution.

Members were made aware of a delegated decision that had been required in connection with the highways and transport capital programme for 2010/2011. The Chairman had been consulted and commented on the matter.

RESOLVED:

THAT the action of the Chairman be noted.

CHAIRMAN