

CENTRAL BEDFORDSHIRE COUNCIL

At a meeting of the **CUSTOMER AND CENTRAL SERVICES OVERVIEW & SCRUTINY COMMITTEE** held at Room 14, Priory House, Monks Walk, Shefford on Monday, 26 July 2010

PRESENT

Cllr J G Jamieson (Chairman)
Cllr D J Hopkin (Vice-Chairman)

Cllrs J A E Clarke
M Gibson

Cllrs R W Johnstone
D Jones

Apologies for Absence: Cllrs P A Duckett
A Fahn
Ms J Nunn

Substitutes: Cllrs P Snelling (In place of Ms J Nunn)

Members in Attendance: Cllrs D Bowater
M R Jones
S F Male
R C Stay

Officers in Attendance: Mr A King – Head of Financial Strategy
Mr L Manning – Democratic Services Officer
Mr J Partridge – Overview & Scrutiny Officer

CCS/10/37 **Minutes**

RESOLVED

that the Minutes of the meeting of the Customer and Central Services Overview and Scrutiny Committee held on 21 June 2010 be confirmed and signed by the Chairman as a correct record.

CCS/10/38 **Members' Interests**

(a) **Personal Interests:-**

None notified.

(b) **Personal and Prejudicial Interests:-**

None notified.

(c) **Any political whip in relation to any agenda item:-**

None notified.

CCS/10/39 **Chairman's Announcements and Communications**

The Chairman advised the meeting that the Portfolio Holder for Policy and Performance had been delayed and that he would, therefore, provide his verbal update to the Committee as soon as he arrived.

CCS/10/40 **Petitions**

No petitions were received from members of the public in accordance with the Public Participation Procedure as set out in Annex 2 of Part A4 of the Constitution.

CCS/10/41 **Questions, Statements or Deputations**

No questions, statements or deputations from members of the public were received in accordance with the Public Participation Procedure as set out in Annex 1 of Part A4 of the Constitution.

CCS/10/42 **Call-In**

No matters were referred to the Committee for a decision in relation to the call-in of a decision.

CCS/10/43 **Requested Items**

No items were referred to the Committee for consideration at the request of a Member under Procedure Rule 3.1 of Part D2 of the Constitution.

CCS/10/44 **Portfolio Holders' Updates**

The Committee received verbal updates from the Portfolio Holders for Customers, Systems and Assets, Finance, Governance and People and Policy and Performance.

The Portfolio Holder for Customers, Systems and Assets reported on work being undertaken in relation to various budget issues. He also reported on the adoption by the Executive of both the Asset Disposal Strategy and the Remodelling of the Customer Services Programme and updated the meeting on the office moves and the staff response which appeared, from his experience, to be mainly positive.

The Portfolio Holder next referred to item 10 on the agenda (Property Services) which was to consider very early options regarding proposals for the Council's Property Services function. He explained that it had not proved possible to have the report ready in time for the meeting and that, following consideration, it had been decided that three reports would be submitted to the Committee on each of the three elements of this topic. It was proposed, therefore, that Members would receive reports providing a position statement and the medium term accommodation strategy at the October meeting and the restructuring of property services at the December meeting.

In response to a query the Portfolio Holder stated that ICT was progressing well although some minor problems had arisen. With regard to the longer term he referred to the possible use of the Government 'Cloud' and reminded Members that a report would be submitted to them by the end of the year.

In response to a further query the Portfolio Holder explained why the Executive had been required to make an urgent decision regarding the future of the Council's contract with Mouchel. The Chairman stated that the situation which had arisen emphasised the need for the Executive to ensure that any renegotiation regarding a contract should take place well before the end of the contract period. Whilst indicating his agreement with this approach the Portfolio Holder stressed that the circumstances in this case had arisen without prior warning.

A Member referred to the presence of large numbers of crates in the offices which had not been moved for a period of weeks and expressed concern at the possibility of an accident. The Portfolio Holder explained the action that officers should take to ensure the crates were removed.

The Portfolio Holder for Finance, Governance and People reported that a series of complications during the work to complete last year's final accounts and present them to the Audit Committee by the June statutory deadline had led to pressure within the Accounts Team. As a result the final accounts had been given priority status. The deadline for the submission of the accounts had been met and, despite the need to prioritise work on the final accounts, the July budget monitoring had also been delivered on time though the Capital Review report had been delayed by a month. It was expected that the results of the Capital Review would be presented to the September meeting of the Executive.

The Portfolio Holder further reported that the 2011/12 budget timetable was on schedule, that a joint leadership/overview and scrutiny chairmen event had been held on 21 July and that the Budget Strategy report would be submitted to the Executive on 17 August. He concluded by referring to the uncertain economic climate and the forthcoming HM Treasury spending review in October.

To assist Members the Portfolio Holder circulated a written copy of his update.

In response to queries the Portfolio Holder stated that the forthcoming Budget Monitoring report would explain the position relating to the current year's budget. He also confirmed that portfolio holders had access to budget

information within three weeks of the end of the month and this had been delayed in June because of work on the closure of the annual accounts.

The Portfolio Holder for Policy and Performance reminded Members of the difficult financial environment in which the Council was operating and how reductions in government funding were already having an adverse affect on the Authority. He assured the Committee that there would be a balanced budget by the end of the financial year but that significant changes within the Council would need to be accommodated. Options on how these could be achieved were currently under consideration.

The Portfolio Holder for Finance, Governance and People stressed that he did not know what course of action the Executive would adopt once it had considered the Budget Strategy report. He added that the Committee would receive the report for consideration at its next meeting on 6 September.

Full debate then followed regarding the Committee's opportunity to access budget information within a timescale that it considered suitable and the respective roles of the Committee and the Executive. Reference was made by the Portfolio Holder for Customers, Systems and Assets to the operational, procedural and challenge requirements for monitoring information and why it was necessary to first present to the Executive whilst the Portfolio Holder for Finance, Governance and People emphasised to the Committee that accounts were being produced in a timely manner and reports submitted on a regular basis. Despite this, however, concern continued to be expressed by the Committee regarding what was viewed as a lack of detailed, timely information and the delay in taking remedial financial action.

The Portfolio Holder for Policy and Performance reported on the savings that had come about as a result of the demise of the Comprehensive Area Assessment (CAA), the debate on the future role of the Audit Commission and the options which had arisen from the Total Place pilot. He also referred to the Delivering Efficient Corporate and Transactional Services (DECATS) programme and stated that the analysis of the related data was almost complete. The Portfolio Holder next referred to a recent review of the internal communications process and stressed the important role performed by communications both internally and externally. In conclusion the Portfolio Holder advised that the budget for the Office of the Chief Executive was on track.

Various queries arose. In response the Portfolio Holder first explained that he was undertaking a co-ordination role with regard to dealing with the government's new policies and that briefing notes would be issued to Members setting out the implications of any changes for Central Bedfordshire. He then stated that, although the CAA had ceased together with its support for partnership working, a future source of support lay within the Decentralisation and Localism Bill. He explained that the Bill would allow local authorities to choose what action they wished to take for the benefit of local communities although there would be less funding available to do so, an implication of which would be to encourage partnership working. The Portfolio Holder also referred to the future of the Audit Commission, queried the need to use the Commission

as the Council's external auditors and suggested the possibility of using a private company for this purpose.

The Chairman referred to Key Performance Indicators (KPI's) and queried whether committees were considering the right type and number. The Portfolio Holder for Policy and Performance expressed support for a review of this issue. He also commented that committees should focus on major issues and that KPI's should be in alignment with the Council's aims.

RECOMMENDED TO EXECUTIVE

- 1 that the Executive be reminded of the need to implement processes to ensure that all contracts are reviewed in sufficient time and well before the end of the contract period;**
- 2 that the Executive seek the most effective and efficient means of providing an external audit service;**
- 3 that the Executive reduce the number of Key Performance Indicators (KPI's) with the aim of allocating approximately five KPI's to each Directorate and approximately five to corporate issues for monitoring purposes and that the Overview and Scrutiny Committee be able to review this as soon as is practicable.**

RESOLVED

that the Chairman and Vice-Chairman of the Customer and Central Services Overview and Scrutiny Committee meet with the Portfolio Holders for Customers, Systems and Assets, Finance, Governance and People and Policy and Performance to clarify respective roles and responsibilities and the time at which information, and the type of information relating to performance and budgets, would be made available to the Committee for consideration.

CCS/10/45 Property Services

Further to comments by the Portfolio Holder for Customers, Systems and Assets (Minute 10/44 refers) Members were aware that the report on Property Services, scheduled to be considered at the meeting, had not be completed in time. Furthermore, it had been decided that separate reports would be submitted to the Committee in October setting out a position statement and the medium term accommodation strategy and another report, on the restructuring of property services, would be submitted to the December meeting.

RESOLVED

that consideration of the report on Property Services be deferred.

CCS/10/46 **Budget Management Provisional Outturn Report Quarter Ended 31 March 2010 for the Directorate Formerly Known as Business Transformation**

The Committee considered a report setting out the provisional outturn position as at 31 March 2010 for the former Business Transformation Directorate.

The Chairman stated that the Committee should be examining the overall Council Budget and that it would be doing so in the future. He then commented that the content of the report before Members was repetitive and unclear and asked that the officers produce a clearer, more concise document whilst retaining all of the information. This proposal was met with general approval and the Portfolio Holder for Finance, Governance and People stated that this would be examined.

A Member commented on the absence of any risk assessment implications in the document. In response the Portfolio Holder for Finance, Governance and People explained that the report's content was historical in nature whilst the Chairman added that there was no risk associated with the content of the report. The Member then queried the accuracy of the information in Appendix B1 (Summary Capital Monitoring March 2010) and, in addition, stated that the same appendix in item 12 contained different figures. The Committee felt that a corrected version of Appendix B1 should be circulated after the meeting.

Further debate followed during which the Portfolio Holders responded to various queries raised by the Chairman.

RESOLVED

- 1 that the officers circulate a corrected version of Appendix B1 of the report of the Portfolio Holder for Finance, Governance and People to all Members of the Committee;**
- 2 that the format of the outturn reports be reviewed with the aim of producing clearer, more concise reports, which are consistent in presentation across all Directorates, for the Committee to consider in the future.**

CCS/10/47 **Budget Management Provisional Outturn Report Quarter Ended 31 March 2010 for the Directorate Formerly Known as Corporate Resources**

The Committee received a report setting out the provisional outturn position as at 31 March 2010 for the former Corporate Resources Directorate.

Discussion took place with regard to the Service Level Agreements (SLA's) and recharges from Bedford Borough Council. The meeting noted that, where necessary, action was being taken to reach agreement on costs before full payment was made. The Committee was advised by the Head of Financial Strategy that prudent estimates would have been made in the outturn assumptions in respect of SLA's.

The Chairman referred to Appendix E and queried the apparent increase in employee numbers during June 2009 – March 2010 despite voluntary redundancy payments being made during the same period. In response the Portfolio Holder for Finance, Governance and People undertook to circulate an answer to Members.

The Vice-Chairman expressed concern that there was a risk that some of the budgetary overspends and underspends from the previous year were being replicated in the current budget and emphasised the need for greater detail to be made available to the Committee at earlier stages of the budget. In response the Portfolio Holder for Finance, Governance and People reminded the meeting that the budget strategy report to the Executive in August was due to be considered by the Committee in September and this represented the next stage of consideration. However, he also stressed that the government's spending review in October was likely to have a major impact as it could give rise to major reductions in funding. He stated that, given these circumstances, he did not feel that any other action was either possible or necessary. The Portfolio Holder for Customers, Systems and Assets reminded the meeting of the internal difficulties faced by the new Authority in putting the Council's budget together but that these were of diminishing importance and the situation was improving year on year.

NOTED

CCS/10/48 **Capital Programme**

The Chairman reported that a meeting of the Budget Task Force had taken place on 2 July 2010 when Members had received an overview of capital expenditure and the capital programme from the Portfolio Holder for Finance, Governance and People and the Assistant Director Finance. During this overview Members had raised a number of questions and discussed the key issues which it was felt required further review by the Task Force. The Committee noted that a further meeting of the Task Force was scheduled to take place in mid August.

RESOLVED

that the Overview and Scrutiny Officer circulate copies of the note of the Budget Task Force held on 2 July 2010 to all Members of the Committee.

CCS/10/49 **Policy on Third Sector Funding**

The Committee was given the opportunity to raise any issues arising from the briefing note, previously circulated by the Assistant Director Strategy and Performance, on the progress made towards formulating a policy for Third Sector funding. No questions were forthcoming.

NOTED

(Note: The meeting adjourned at 11.55 a.m. for a short break and reconvened at 12.00 p.m.)

CCS/10/50 **Work Programme 2010-2011 & Executive Forward Plan**

The Committee considered its current work programme and the latest Executive Forward Plan.

RESOLVED

1 that the Committee's Work Programme be amended as follows:

**6 September: add Budget Strategy
defer Medium Term Accommodation Strategy
until 11 October
defer People Strategy to a date to be agreed
defer ICT Strategy to a date to be agreed**

**11 October: add Property Services Position Statement
note that Quarter 1 Performance Monitoring and
the Review of Revenues and Benefits
Performance reports have been combined**

15 November: add Restructuring of Property Services

2 that authority be delegated to the Chairman and Vice-Chairman of the Committee, in consultation with the Portfolio Holder for Finance, Governance and People, to revise the content of future budget monitoring reports.

(Note: The meeting commenced at 10.00 a.m. and concluded at 12.05 p.m.)