

# BRIGHTON & HOVE CITY COUNCIL

## OVERVIEW AND SCRUTINY ORGANISATION COMMITTEE

5.00PM MONDAY, 21 JULY 2003

COMMITTEE ROOMS 2/3  
BRIGHTON TOWN HALL

### MINUTES

Present: Councillor Hamilton (Chair), Councillors Allen, Carden, Davidson, McCaffery, Meegan, K Norman, Pidgeon, Mrs Simson, Williams and Young.

Also present: Councillor John

Officers: Liz Culbert (Senior Lawyer); Glynis Davies (Head of Procurement); Tony Miller (Director of Communications and Democratic Services); Maggie Squire (Head of Performance); Catherine Vaughan (Assistant Director, Project and Financial Services); Ian Withers (Head, Internal Audit); Mary van Beinum (Committee Administrator)

### PART ONE

### ACTION

#### 10. PROCEDURAL BUSINESS

##### 10A Declarations of Substitutes

<u>Substitute Councillor</u>	<u>For Councillor</u>
McCaffery	Edmond-Smith
Pidgeon	G Theobald

##### 10B Declarations of Interest

There were none.

##### 10C Exclusion of Press and Public

10.1 The Committee considered whether the press and public should be excluded from the meeting during the consideration of any items contained in the agenda, having regard to the nature of the business to be transacted and the nature of the proceedings and the likelihood as to whether, if members of the press and public were present, there would be disclosure to them of confidential or exempt information as defined in Section 100A(3) or 100 1 of the

Local Government Act 1972.

10.2 **RESOLVED** - That the press and public be not excluded from the meeting during consideration of any of the items on the agenda.

[Note; with the agreement of the Chair, items 16,18 and 19 were considered after item 12]

## **11. MINUTES**

11.1 The meeting noted replies to queries raised during discussion of the performance of Housing and City Support at the 2<sup>nd</sup> June meeting. As regards the query at minute 3.24 relating to savings made by early payment of bills, the Assistant Director, Project and Financial Services said that the council does receive discounts. Invoices were usually payable on standard terms within 30 days.

11.2 The Chair reported that he had attended Policy and Resources Committee on 16<sup>th</sup> July at which two letters from OSOC had been considered. These related to concerns about resourcing of enforcement of environmental health and trading standards as minuted at 3.21 and to the recommended involvement of the cross-party Member Advisory Group on discretionary grants, following Councillor Davidson's call-in request (Minute 2.15 of the urgency meeting refers). Both letters had been 'noted' by P&R.

11.3 **RESOLVED** – That the minutes of the meeting held on 2 June 2003 and the urgency meeting of 30 June 2003 be approved and signed by the Chair.

## **12. DISCUSSION OF COMMUNICATIONS AND DEMOCRATIC SERVICES PERFORMANCE WITH EXECUTIVE COUNCILLOR AND DIRECTOR**

12.1 The Director told the meeting that Communications and Democratic Services had responsibility for only one Best Value Performance Indicator – namely BVPI 157, relating to the target of 100% electronic service delivery. This authority was well into the upper quartile of all authorities nationally, as set out in the report (for copy see minute book.)

12.2 These achievements were largely due to the successful introduction of the City Direct system; the table showing transactions by type indicated there was still work to be done.

12.3 Regarding other areas of work within the Department; the outcome of the Best Value Review of ICT (Information Communications and Technology), including a summary of the implementation plan has been reported to March 26<sup>th</sup> Policy and

Resources Committee. It was noted that the word 'attached' should be deleted from the 8<sup>th</sup> paragraph; the implementation plan was not intended to be attached to the report to Council. (For summary of the Best Value Review of ICT see minute book).

12.4 The full implementation plan was tabled at the meeting. Most targets were being met and there had been savings of £250,000 on the ICT budget compared with last year. The Plan was a change agent for improvements in customer access to information and customer service.

12.5 Councillor Sue John, Deputy Chair of Policy and Resources Committee was the new Chair of the Programme Board. She told the meeting that one of the main outcomes of the Best Value Review was the formation of the corporate ICT function; she was very impressed with the skills and abilities of the team.

12.6 In discussing ICT, one Member had formed the impression that the IT support service was outsourced, having been unable to get an answer to a simple IT query. The meeting was reassured that this was not the case. Members discussed IT problems and felt a basic self-help guide to the new computers for Members would be helpful. The Members Services team could often answer IT queries.

**JS**

12.7 The Members Services Manager said that training on the use of laptops was being planned together with the IT Manager.

12.8 Councillor Mrs Simson, who was on the interview panel for appointing to the post of Director of Housing and City Support, reported that two candidates had special praise for the Council's website, being a very useful tool in researching information for their job applications. Councillor McCaffery said the website was excellent, though she noted that about one-fifth of Citizen's Panel respondents do not have access to it.

12.9 The Director of Communications and Democratic Services said the final report on headline findings of the Citizen's Panel for communications was in preparation. (For draft headline findings, see minute book.) There was very high general use of the internet and very high awareness of the Council's website, though bearing in mind that the Citizen's Panel were more 'civic-minded' than average. Internet services in libraries and town halls were being advertised and City News was an excellent paper-based source of information.

12.10 Since the City News changed to magazine format, City News ranked higher than the Argus and Leader for the first time as a source of council information. The Committee discussed the areas that do not receive City News.

12.11 Replying to queries on the work of the Citizen's Panel and the actual questions asked, the Deputy Chair said the Panel of 1000, representing people of Brighton and Hove, was jointly funded by the Police and Health Services. The Panel was 'refreshed' every three years, via a general invitation in the Argus and City News and via invitations to random addresses to find participants from under-represented groups such as women and black and ethnic minorities.

12.12 The full report of the Citizen's Panel Communications Survey would include numbers of respondents as well as percentages and would shortly be circulated to all Members.

**TM**

12.13 Scoping was scheduled for Spring 2004 for the Best Value Review of Communications, which would include tourism and city marketing. Scrutiny Members would be invited to participate in the scoping and then subsequently, in line with the process set out in Appendix ii to item 19 on the agenda. The performance of public relations and tourism was notoriously difficult to measure; the former was best done through the Citizen's Panel. The Council belonged to several tourism benchmarking groups.

12.14 The Head of Performance said the Performance Team was looking at ways of developing local indicators to help monitor services which were key but which nevertheless had no statutory performance indicator linked to them.

12.15 **RESOLVED** - That the information be noted

### **13. PROVISIONAL OUT-TURN 2002 - 2003**

13.1 The Assistant Director, Project and Financial Services introduced the report on the provisional out-turn for 2002/2003 and updated Members on financing arrangements.

13.2 The Assistant Director outlined the new centralised structure of the finance function following the Council re-shaping.

13.3 The Assistant Director said a significant overspend forecast earlier in the year had been brought down by a combination of measures dealing directly with the areas of forecast overspend and by finding compensating savings elsewhere.

13.4 A large business rates rebate from the government on payments made by the council relating to the King Alfred Leisure Centre dating back to 1990 as a result of a review launched by the former Hove Borough council, had meant that the provisional out-turn was better than had been anticipated and the general fund working balance had increased.

13.5 Members said there were some areas which seemed to

overspend year on year and there still seemed to be budgets acquired historically from the fore-runner authorities; and asked what could be done to adjust the budget to reflect more closely the departments' needs?

13.6 The Assistant Director said additional funding had been put into some areas to help achieve a balanced budget. Judgements had to be made on whether overspends could be reduced. There had to be a balance between additional funding and preventative and cost-reduction strategies.

13.7 The Management Team had instigated a more detailed and effective monthly reporting scheme to enable better data trends and financial analysis of the main drivers of spending. Reports would make the council's financial position easier to understand.

13.8 A number of budget pressures were difficult for the council to control; for example residential and nursing home fees. However improved understanding of the main factors meant that the council could be proactive in taking steps to manage the pressures. To help stabilise the market the council had introduced higher rates for home fees.

13.9 The Committee asked questions on children families and schools agency placements, vacancy management and on the underspending in the housing revenue account. The latter could be used to fund capital works to improve the standard of housing stock.

13.10 **RESOLVED** – that the report be noted

#### **14. CAPITAL MONITORING AND PROVISIONAL OUT-TURN 2002/03**

14.1 The Assistant Director outlined the total capital programme for 2002 –2003 of £46 million. The level of slippage was an indication of the effectiveness of the management of the capital programme. Some resources were time-limited and could have been lost if not spent within time. It is anticipated that the council has lost no resources in 2002 –2003.

14.2 Capital slippage of around 7% was more than the target 5% partly due to schools spending their own devolved budgets, over which the council had no control. Schools could choose to carry forward their devolved capital budget for up to two years to allow for work to be done with less disruption during the summer holidays for example.

14.3 Total expenditure on housing including repairs and maintenance, amounted to some £20 million. Most of this funding

was via the major repairs allowance from government. £3.5 million from the Housing Revenue Account surplus was used to fund major housing improvement works.

14.4 In answer to a question about the budget-setting process the Assistant Director said there had recently been both internal and district audit reviews of financial management arrangements and centralisation of financial services now gave a consistent approach across the authority.

14.5 The format of financial reporting had been improved and other changes included additional training for budget holders.

14.6 Replying to a query from a member of the public the Assistant Director said members did not receive a full detailed listing of total capital spending. This was because most capital projects fell within a major service area and were reported in full to committee. Only a relatively small sum of around £200,000 fell outside the major categories.

14.7 For instance the housing programme was approved separately by Policy and Resources Committee, the local transport plan was reported to the environment committee, and the Education Asset management plan was approved by Children Families and Schools.

14.8 The financial system did not allow for direct analysis by geographical area; it would be difficult and painstaking to produce expenditure figures on a ward by ward basis.

14.9 **RESOLVED** – that the report be noted.

## **15. INTERNAL AUDIT PLAN**

15.1 The Head of Internal Audit introduced the report of the internal audit plan based on a full risk assessment and following consultation, including with chief officers and senior managers. (For copy see minute book)

15.2 The Committee asked to receive at a future meeting highlights of individual internal audits and examples of findings and recommendations. **IW**

15.3 Members also discussed the risk factors and asked for some specific examples to illustrate how the assessment of risk levels was done. The next meeting on September 22<sup>nd</sup> was to receive a report on the internal audit strategy and the Head of Internal Audit agreed **IW**

to include some examples.

**RESOLVED** that the report be noted.

**16. UPDATE ON CURRENT SCRUTINY REVIEWS, CALL-IN REQUEST AND EDUCATION AND HEALTH SCRUTINY**

16.1 The meeting considered the report of the Director, Communications and Democratic Services. (For copy see minute book)

16.2 It was noted that the Community Health Councils are to be abolished in July 2004, and not 1st December as reported (Paragraph 8.5 refers). The Members' Services Manager reported progress in discussions on health scrutiny taking place before the first meeting of the Health Overview and Scrutiny Panel later this year.

**RESOLVED** - (1) That the appointment of the Education Overview and Scrutiny Panel (EOSP) Deputy Chair be noted.

(2) That the appointment of an additional non-statutory non-voting co-optee to the EOSP be approved.

**17. HOUSING ALLOCATIONS BEST VALUE SCOPING EVENT**

17.1 Councillor Carden told the meeting he had attended the Best Value Review of housing allocations scoping event. Councillor Mrs Simson had given her apologies.

17.2 Councillor Carden was unhappy with the arrangements for the discussion groups, with all three councillors being in the same group. He was not satisfied that his comments were properly reflected in the feedback from the groups and was told 'We are using a different language.'

17.3 Councillor Allen, also present at the scoping event as a Member of the Housing Management Sub-Committee said that jargon was used during the session. He himself was reassured that housing allocations were moving away from a 'points' system and towards greater transparency. When there was a wider general understanding of the improved system, housing allocations would be better accepted.

17.4 Members noted that the scoping report of the best value review would be presented to OSOC for information in November.

17.5 **RESOLVED** – that the report be noted

## **18. REQUEST FOR SCRUTINY OF PROCUREMENT**

18.1 Councillor Allen outlined to the Committee the reasons why he and Councillor Mrs Drake were requesting a scrutiny review of procurement. Referring to page 105 of the Performance Plan reported to full Council on 12<sup>th</sup> June, he said that the update on the Best Value review of Procurement showed that useful progress had been made but it also hinted that all was not well. (For letter of request for scrutiny and extract from performance plan see minute book)

18.2 It was pleasing that more than £900,000 had been saved and perhaps more could be done, with greater support. This was a corporate issue that would benefit from a probing and supportive scrutiny with input not only from procurement officers but also from senior managers across the council, he said. There was a parallel with the cross-departmental issues raised by the Scrutiny Review on implementing Equalities policies, of which he had been the Scrutiny Working Party Chair.

18.3 The Head of Procurement said that much progress had indeed been made and the estimated savings was a conservative figure. This was a significant achievement since late 2001/early 2002 when the procurement team started work, especially in view of the size of the team - only four officers.

18.4 However there was more to be done and it would require senior managers to be very closely involved and continued political support to achieve further improvements in quality and cost.

18.5 The Director of Communications and Democratic Services suggested that OSOC should consider whether monitoring the implementation of the Best Value recommendations was best done via scrutiny or through the existing Best Value process.

18.6 Answering a question the Head of Performance clarified that the Best Value Inspection of Procurement in 2001 received a 1\* (likely to improve) rating. At that time the Audit Commission's own team inspected all Best Value Reviews. Best Value inspections are now related to the Comprehensive Performance Assessment. The paper on the Procurement Best Value Inspection, as reported to full council, reported back over three years and the update gave the current position, as of June 2003.

18.7 The Committee was pleased both at the achievements so far and also that the Deputy Chief Executive and Councillor Burgess were responsible for taking forward the work of the procurement team.

18.8 Councillor McCaffery said that as former Chair of the

Equalities and Social Justice Consultation Forum, she had found the scrutiny report (published in May 2001) on implementing Equalities across the council very useful as a sound basis for progress and a scrutiny review would be the most appropriate way to deal with procurement.

18.9 Following discussion and a vote, OSOC agreed to a 5-Member Scrutiny Panel comprising two Labour, two Conservative and 1 Green Party Member. The intention was for the Green Party and the Liberal Democrats to alternate as regards membership of scrutiny panels and Councillor Williams was a member of the War Memorial Railings Scrutiny Panel. Councillor Watkins was serving on the Hove Centre Lettings Policy Scrutiny review, established at the June meeting of OSOC.

18.10 Members wished the Head of Procurement well in her new position and noted that the Head of Procurement post had not been advertised.

18.11 **RESOLVED** – (1) That a 5-Member Scrutiny Panel on Procurement be established, comprising two Labour, two Conservative and one Green Party Member.

(2) That the Panel make recommendations on how to achieve a genuinely corporate approach to strategic procurement, to produce improvements in quality and cost.

## **19. OVERVIEW AND SCRUTINY ORGANISATION COMMITTEE WORK PROGRAMME 2003 - 2004**

19.1 The Director of Communications and Democratic Services introduced the report setting out a draft work programme for OSOC for 2003 – 2004.

19.2 The draft had been developed following the informal scoping meeting of OSOC held on 30<sup>th</sup> June and a meeting to discuss the role of scrutiny in relation to the Executive Committees, between the Chair of OSOC and officers and Chairs of the Executive Committees. (For notes of the scoping meeting see item 16 on the agenda)

19.3 Councillor Norman said his name was not on the notes of the scoping meeting, though he had been present. The notes would be amended.

**MvB**

19.4 Regarding the monitoring of Best Value reviews, no replies had been received to the letter as agreed at the scoping meeting, from OSOC to the Chairs of Executive Committees.

19.5 The proposed role of OSOC in monitoring best value reviews is

set out in Appendix ii. Column 5 of the draft work programme includes the schedule of best value reviews suggested for monitoring throughout the year to correspond as far as possible with OSOC's existing performance monitoring scheme shown in column 2. For example, Homelessness, Council Housing and Care and Support in January 2004 and Appearance, Waste Management and Grounds Maintenance in February.

19.6 Items in the column headed 'scrutiny reviews' had been brought forward as key areas for consideration for scrutiny, following the Comprehensive Performance Assessment. These were major areas of work in actioning the CPA recommendations that were not already subject to internal nor external in-depth monitoring or review in the shorter term. Formal scrutiny panels were not necessarily needed on each of these items though there may be areas where further officer information may be required to help inform the monitoring of improvements.

19.7 The Chair thanked the officers and the Management Team/Chairs for their work on the draft scrutiny work programme, which provided a very good starting point for structuring the work of scrutiny in future.

19.8 The Committee agreed that the work programme was necessarily a draft as any Member could ask for a scrutiny review and time would have to allowed for these items and call-ins as they arose. For example the request for scrutiny of the Dome business plan as discussed at Policy and Resources on 16<sup>th</sup> July, was to be included in the next OSOC agenda.

19.9 The Committee referred to the notes of the informal scoping session and emphasised that it was important for scrutiny to be Member-driven and for the work programme to allow for flexibility in determining other matters as they arose. There were areas such as a retrospective look at the outcomes of former scrutiny reviews that could warrant further consideration, for example. Any follow-up on Education-related scrutiny reviews would be a matter for the Education Overview and Scrutiny Panel.

19.10 Councillor McCaffery said that from her experience with implementing the agreed recommendations of the equalities scrutiny panel, it was necessary to keep a track of the outcomes of all scrutiny reviews after an appropriate period of time. Implementation could take a long time.

19.11 The Chair cited the most recent example of a scrutiny report, on Patcham Place Pavilion, which had been agreed by OSOC on 31<sup>st</sup> March. There had been a delay by the executive committee in

considering the report's 11 recommendations.

19.12 The Senior Lawyer clarified the reporting process for scrutiny reviews. Final reports of scrutiny reviews are presented to OSOC for endorsement before being taken forward to the relevant executive committee for any response. The scrutiny report and executive committee's response are subsequently reported together, to full council.

19.13 The Committee Administrator said it should be simpler in future to keep track of scrutiny outcomes because a standard format for the executive reply was now in use. The reply should include the likely timescale for implementation.

19.14 **RESOLVED** – That the draft work programme and role of OSOC in relation to Best value Reviews, set out in Appendices i and ii of the report be agreed as a basis for the structure of the Committee's work in 2003 –2004, whilst also allowing flexibility to determine matters as they arise such as requests for scrutiny and call-in.

## **20. STAFF SICKNESS**

20.1 Members referred to the findings and recommendations of the Scrutiny Review of Staff Sickness, which reported in October 2000, and to the update on the Best Value Performance Indicator (BVPI) 12 provided by the Human Resources Manager. A copy of the end of year PI results, as reported to full Council on June 12th was tabled at the meeting. (For copies of the three documents, see minute book)

20.3 The meeting noted that the BVPI 12 indicator description should read 'number of working days/shifts lost' and not 'proportion of working days/shifts lost.'

20.4 The committee was pleased that the third quarter end of year estimate for 2002-2003, as reported in the Quarter 3 report to the 2nd June OSOC (14.43 working days) had reduced to 11.06 in the final confirmed figure, and asked the reason for the apparent reduction. The Head of Performance said that the figure 14.34 had been an estimate at Quarter 3.

20.5 However the Committee said the sickness absence rates were still unacceptably high. This would be causing high expenditure on supply teachers and agency staff and these extra costs needed to be made known. A detailed breakdown of the sickness figures was needed without delay to help identify any areas where extra support could help reduce sickness absence.

20.6 In October 2000 the scrutiny report stated 'Plans for the introduction of ...a modern Human Resources Management System... at Brighton and Hove are well advanced' (Report para 11.2 refers) yet apparently data was not even now available. The Committee asked why this should be so.

20.7 OSOC wished to know what was being done in each of the departments to provide better data and to provide support where appropriate. For example, had an Occupational Health Service been set up? (Report para 13.1 refers)

20.8 The Committee asked for the best available comparative sickness figures to be reported to its next meeting (September 22nd). If complete figures could not be prepared at that stage, the committee asked what was the timescale for this to happen and reason for delay? It was felt that school staff sickness levels at least, should be readily provided.

20.9 The Head of Performance told the meeting that the performance team was working closely with Human Resources to simplify and improve the reporting process. Reorganisation had had a major impact on the ability to collect the level of data required.

20.10 **RESOLVED** - that the Director of Human Resources be invited to OSOC on 22nd September to present a report not only on all the issues minuted above but also on the Audit Commission's staff absence recommendations, soon to be published.

## **21. ITEMS TO GO FORWARD TO COUNCIL**

21.1 To note that the scrutiny report on Patcham Place Pavilion and the executive reponse would be reported to a future Council meeting.

## **PART TWO**

## **22. ITEMS TO REMAIN EXEMPT FROM DISCLOSURE TO THE PRESS AND PUBLIC**

22.1 **RESOLVED** - That no items on the agenda be exempt from disclosure to the press and public.

The meeting concluded at 7.30 pm

Signed

Chair

Dated this

day of

2003