

PRINCIPAL SCRUTINY COMMITTEE

15 January 2007

Attendance:

Councillors:

Learney (Chairman) (P)

Anthony (P)
Chapman (P)
Clohosey (P)
Collin (P)
Cook (P)
Evans
Chamberlain (P)
Hiscock (P)

Huxstep (P)
Jeffs (P)
Lipscomb (P)
Macmillan (P)
Mather (P)
Saunders (P)
Rees (P)
Worrall (P)

Deputy Members:

Councillor Spender (Standing Deputy for Councillor Evans)

Others in attendance who addressed the meeting:

Councillor Beckett (Leader and Portfolio Holder for Economy and Tourism)
Councillor Hollingbery (Portfolio Holder for Performance and Communications)

1. **APOLOGIES**

Apologies were received from Councillor Evans.

2. **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman made no announcements.

3. **MINUTES**

RESOLVED:

That the minutes of the previous meeting of the Committee held on 4 December 2006, less exempt items, be approved and adopted.

4. **PUBLIC PARTICIPATION**

There were no questions asked or statements made.

5. **INTERNAL AUDIT UPDATE**
(Report PS266 refers)

During discussion, the Director of Finance clarified that in compiling the Internal Audit Plan, reference was made to the Council's Corporate Strategy, Risk Register and also any work planned by the Council's external auditors. Regarding recommendations, Managers and Directors were consulted to ensure that they were in agreement with the categorisation and the implementation date. The Director expected that 90% of the 2006/07 Audit Plan would be completed on target following the appointment of new audit staff and the use of agency staff to assist in the interim. The Chief Executive also explained that Corporate Management Team regularly discussed progress against the implementation of audit recommendations and that management prioritised their implementation appropriately as part of their general work.

Further to a question, the Director advised that she would clarify to Members whether the auditor's productive time of 90% was the Section's chargeable time, or was reflective of the target of the Plan to be achieved. She also advised that a Special Audit Investigation on telephone usage, as referred to within the Plan, had now been completed and the management summary would be reported to the next meeting of the Committee.

The Committee referred to Appendix B of the Report that set out information previously requested with regard to outstanding recommendations of internal audit high risk recommendations.

The City Secretary and Solicitor reported that the date for implementation of recommendations of an audit of the Land Charge Section had been revised. This was because it had been recognised that the recommendation for scanning of card index files for data backup purposes should be done as part of the wider computerisation project when the data was in its final historic form otherwise the work would have been undertaken twice, at additional expense. Further to this, he was satisfied that other projects in the Council had necessitated a higher priority for resources. He also confirmed that work requiring action by legal staff that had not been achieved due to capacity within the section, could be contracted outside the Council if necessary.

The Committee referred to the audit of Section 106 Agreements and the Director of Development advised that he recognised the benefits to the organisation of the recommendation to establish a corporate database for the information. However, he was mindful that the resource required to implement the database would be significant and, although having the information in three different places was administratively undesirable, he was satisfied that this did not have a negative impact on the Council. Furthermore, the introduction of the Electronic Document Record Management System (EDRMS) was also likely to assist. A Member suggested that a new database could be introduced and that the information already kept by the Council using existing systems be incorporated at a later date, when resources were available. The Director of Development undertook to introduce a new database as proposed.

The Director of Development agreed to advise the Committee on the progress of the recommendations of internal audit with regard to the Guildhall safe register.

During debate, there was some concern at the overall number of high risk recommendations still to be implemented and that some completion dates were unspecified within the Report. In acknowledging the ongoing work to achieve all the

recommendations, the Director of Finance was satisfied that officers continued to prioritise appropriately. She explained that some work continued to have a priority over some of the high risk recommendations such as, for example, audits on Economic and Monetary Union (with regard to contract negotiations) and Service Level Agreements within the Tourism and Marketing section. It would be appropriate to consider whether the risk level was still appropriate and whether the work still needed to be done, given the time since the original recommendations were made.

At conclusion of the discussion, Members considered that Senior Management should continue to apply appropriate priorities with regard to the Audit recommendations whilst having regard to current business risks. Furthermore, those outstanding high risk audit recommendations should also be prioritised and completion dates added accordingly and their progress reported back to the Committee.

RESOLVED:

1. That the matters raised by Internal Audit and action taken by Management be noted.
2. That the risk level of the outstanding Audit recommendations be revisited and be changed if appropriate.
3. That remaining high-risk audit recommendations be prioritised and completion dates revised and reported back accordingly.
4. That the Chairman works with the Director of Finance to review the matters outlined in resolutions 1 and 2 above and future methods of reporting the monitoring of implementation of high risk audit recommendations.

6. **WINCHESTER DISTRICT COMMUNITY STRATEGY UPDATE – DRAFT 2**
(Report PS268 refers)

The Leader drew the Committee's attention to Appendix 2 of the Report, which set out comments and revisions made following the consultation on the previous draft of the Strategy (including those of this Committee and Scrutiny Panels). He explained that Cabinet had been grateful for the input to the document.

Further to questions, the Chief Executive explained that the Community Strategy was a document that set out priorities and broader level aspirations for the representatives of the Strategic Partnership to achieve, together with appropriate actions and performance indicators. He clarified that the Council was one of the organisations in the Partnership and that the Strategy was drawn up by the Council, in consultation with the Partnership and on its behalf. The Community Strategy would feed into the Council's own Corporate Strategy.

The Committee referred to the Winchester District Community Strategy (Draft 2) as set out at Appendix 1 to the Report and a number of questions were raised and comments made.

- The Leader explained that an expansion of rural public transport was an aspiration to support economic prosperity. All representatives of the Strategic Partnership were committed to aim towards, and influence, such aspirations even though there was a possibility that all outcomes may not be achieved in total.

- It was noted that the Partnership Contacts, as set out on page 55 of the document, were not representative of all the partners. Those listed were secretariat contacts and it was requested that the list be amplified to include lead representatives of the Partnership.
- The Leader explained that the 20 Priorities within the document were not in priority order, but that the five outcomes in the document gave a clear indication of the Partnership's aspirations.
- An error on page 33 of the Strategy in that there were two 'Priority 13's', should be corrected.
- It was suggested that the Strategy should have regard to the importance of the role of the voluntary sector in the community and that it be encouraged and assisted as much as possible. The Leader noted this point.
- The Leader explained that the Council's existing and emerging policies would be applied wherever possible as so to support sustainability within the rural economy.

RESOLVED:

That Cabinet be asked to consider the Committee's comments on the Corporate Strategy 2007-2012 draft 2, as set out above.

7. **CORPORATE STRATEGY 2007- 2012 (DRAFT 2)**
(Report PS269 refers)

The Leader explained that the second draft of the Strategy had been drawn up in response to the comments made during consultation on the previous draft (these were set out at Appendix 2 to the Report). Further to questions, he reminded Members that although the Council could not deliver all its aspirations in isolation, it was in a position to use its influence with others to effect change where necessary.

The Committee referred to the Corporate Strategy (Draft 2) as set out at Appendix 1 to the Report and a number of questions were raised and comments made:

- Responding to a request, the Leader advised that although implicit throughout the document, he would consider making more direct reference to requirements of disabled residents. It was requested that the following addition be made (shown in italics) to the first sentence of paragraph three of page 1 one of the Strategy:

‘The City Council will endeavour to meet the needs of all the community and is mindful of its duties in respect of equality and diversity *and disability*’.

- With regard to Economic Prosperity at page 1 of the Strategy, the Leader explained that the aim of encouraging ‘high value jobs’ reflected the high cost of living in this area. High value jobs would bring other employment opportunities in support.

- The Leader advised that the Council could influence High Quality Environment in a number of ways, including via the planning function and the maintenance of open space. A Member suggested that the County Council should be pressed to undertake highway repairs, notably within the City Centre where some of the pedestrianised areas needed enhancement.
- A Member requested that consideration be given to producing an abridged version of the Strategy for young people, specifying the role they are to play in achieving its aims.
- The Leader explained that the aims of the Council as set out in the Strategy were in no particular order. However, it should be recognised that priorities with regard to Economic Prosperity would assist in the delivery of all aims.
- With regard to 'A Modern Council' on page 3, it was suggested that the first bullet be revised with following addition in italics:
 - provides *positive* community leadership
- It was noted that further to their monitoring role, the Scrutiny Panels should have regard to progress of the aims within the Strategy.

RESOLVED:

That Cabinet be asked to consider the Committee's comments on the Corporate Strategy (Draft 2) as set out above.

8. **SCRUTINY REVIEW – EFFICIENCY SAVINGS**
(Report PS264 refers)

As Chairman of the Informal Scrutiny Group, Councillor Hiscock reported that the Council was on target to achieve its cashable efficiency savings. However, the Group was recommending that Cabinet identify further 'non-cashable' efficiencies.

The Committee recognised that improvements to the service provided to the public by the Customer Service Centre were less easily quantifiable in terms of efficiencies. However, Members were concerned that the Centre had yet to achieve cashable savings, initially intended to offset some of the Centre's set up costs. The Chief Executive advised that he was satisfied that efficiencies would continue to be pursued, especially as additional service areas were taken on by the Centre. The Director of Finance also reported that she was confident efficiencies would be demonstrated into cashable savings in due course.

As Chairman of the E-Government Informal Scrutiny Group, Councillor Macmillan explained that the apparent problems relating to interfaces between the Customer Service Centre and back office computer systems would be investigated. The Committee agreed that Members should first consider these findings before formally reviewing the broader operation of the Customer Service Centre and associated efficiency savings.

RESOLVED:

1. That the terms of reference for the Gershon Efficiencies Informal Scrutiny Group be confirmed as:

- (a) To examine the extent to which the savings identified in the 2006/07 Annual Efficiency Statement are being met;
- (b) To test whether the Council's Efficiency Strategy is 'fit for purpose';
- (c) To review whether the Council's culture helps drive and deliver more efficient working.

2. That the Informal Scrutiny Group set up by the Resources Scrutiny Panel to review the E-Government programme be asked to consider, as part of its work, issues raised in this review about the difficulty of creating interfaces between different systems.

3. That Cabinet note that more work should be done to identify non-cashable savings.

4. That the Informal Scrutiny Group continues its work to cover the second and third points of its terms of reference.

5. That the Scrutiny Chairs Liaison Meeting give further consideration to a possible scrutiny review at an appropriate time of the broader operation of the Customer Service Centre and efficiency savings to be achieved.

9. **RESPONSE TO RECOMMENDATIONS FROM THE REVIEW OF COMMUNITY ENGAGEMENT INFORMAL SCRUTINY GROUP**

(Report PS267 refers)

Councillor Hollingbery introduced the Report and detailed the ongoing work of the Council with regard to Communications. This included those areas of focus to be contained within Business Plans, and those of particular interest to the public.

Councillor Hollingbery acknowledged that the Communications Team of the Council was a limited resource. He was endeavouring to use it to maximum effect by identifying representatives within each Directorate to inspire and carry forward the Team's initiatives.

During discussion, the Committee referred to a recent event held to consult with Parish and Town Councils on the Council's budget proposals. A Member suggested that organisations from the Winchester Town area should also be included in events of this nature. It was noted that the Winchester Town Forum operated successfully by discussing issues relevant to its particular geographic area and, in addition, the Forum had undertaken consultation on the Vision for Winchester document. During debate, and as Chairman of the Town Forum, Councillor Rees reported on the wide topics and non-party discussions held by the Forum. A Member suggested that any formal consultation with the Town Forum, such as that regarding the Council's budget proposals, should be inclusive of additional Town Area interest groups, such as the City of Winchester Trust. The Leader agreed that the issue would be given further consideration.

The Leader and Chief Executive responded to questions with regard to proposals for Parish 'clusters' and hubs and it was confirmed that Parishes were increasingly positive towards the initiative. It was explained that the roles to be undertaken by the clusters, were in addition to those already offered by Parish Councils.

RESOLVED:

That the content of the Report be noted.

10. **SCRUTINY WORK PROGRAMME (REPORT PS265 REFERS), JANUARY 2007 FORWARD PLAN AND ITEMS FOR FUTURE CONSIDERATION**

Councillor Learney confirmed that a request made during discussion of the Scrutiny Review – Efficiency Savings (Report PS264, elsewhere on the agenda refers) for a scrutiny review of the Customer Service Centre be discussed at the next Scrutiny Chairs' Liaison Meeting.

RESOLVED:

That the Scrutiny Work Programme and Forward Plan for January 2007 be noted.

11. **MINUTES OF SCRUTINY PANELS**

The Committee considered the following Minutes and noted that they would be considered by Cabinet at its meeting on 17 January 2007:

- (i) Environment Scrutiny Panel held 27 November 2006
- (ii) Local Economy Scrutiny Panel held 28 November 2006
- (iii) Social Issues Scrutiny Panel held 5 December 2006
- (iv) Resources Scrutiny Panel held 6 December 2006

RESOLVED:

That the minutes of the Environment Scrutiny Panel held 27 November 2006, Local Economy Scrutiny Panel held 28 November 2006, Social Issues Scrutiny Panel held 5 December 2006 and Resources Scrutiny Panel held 6 December 2006, be received and the recommendations therein be noted.

12. **CONSIDERATION OF ITEMS UNDER THE COMMITTEE'S POWERS OF CALL-IN**

(i) **OFFICE ACCOMMODATION – RELOCATION COSTS (LESS EXEMPT APPENDIX)**

(Reports CAB1366 and PS270, Extract of Minutes of Cabinet 13 December 2006 and CL43 (excluding exempt appendices) refer)

The Chairman requested that, following Cabinet's referral and Council's subsequent support of the Report's recommendations (following the receipt of additional information as set out in Report CL43), the Committee should focus discussion on the processes involved in the proposals, rather than on the decision made.

Further to a question regarding the removal of the Museums Service from Hyde, the Leader acknowledged there was to be a delay in the building's vacation and with the associated revenue savings and capital receipt. However, he was satisfied that the overall significant benefit of the relocation to the West Wing remained.

At the conclusion of debate, the Leader acknowledged that the figures within the business case originally presented to Cabinet had been an estimate.

Although the payback period had subsequently changed, the benefits with regard to the proposals, in both financial terms and organisational development remained significant.

The Chief Estates Officer answered questions and advised that Avalon House was currently being marketed. He advised that some of the land to the rear was intended to be leased under licence to the new occupier, as it was considered that the Council should retain flexibility over its potential for future redevelopment.

RESOLVED:

That the recommendation of Cabinet on 13 December 2006 to Council on 10 January 2007 to approve the relocation and other costs up to a maximum of £392,000 to be met by way of a virement of £295,000 from the reverse premium with the balance to be met from the Office Accommodation budget, be not called in for review.

13. **EXTRACT OF MINUTES OF CABINET - 13 DECEMBER 2006 (LESS EXEMPT APPENDIX)**

(Report PS270 refers)

RESOLVED:

That the report be noted.

14. **EXEMPT BUSINESS**

RESOLVED:

1. That in all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

2. That the public be excluded from the meeting during the consideration of the following items of business because it is likely that, if members of the public were present, there would be disclosure to them of 'exempt information' as defined by Section 100I and Schedule 12A to the Local Government Act 1972.

| <u>Minute Number</u> | <u>Item</u> | <u>Description of Exempt Information</u> |
|----------------------|---|--|
| ## | Exempt Minute of previous meeting held 4 December 2006 |) |
| | • Winnall Business and Innovation Centre |) |
| ## | Office Accommodation – Relocation Costs (Exempt Appendix) |) Information relating to the financial or business affairs of any particular person (including the authority holding that information). (Para 3 Schedule 12A refers). |

| | | |
|----|---------------------------|---|
| | Office Accommodation |) |
| ## | – Relocation Costs |) |
| | (additional information, |) |
| | Exempt Appendix) |) |
| | |) |
| | Tower Street Repairs |) |
| ## | |) |
| | Extract of Exempt Minutes |) |
| ## | of Cabinet 13 December |) |
| | 2006 |) |
| | |) |

15. **EXEMPT MINUTES**

RESOLVED:

That the exempt minute of the previous meeting, held 4 December 2006, be approved and adopted.

16. **CONSIDERATION OF ITEMS UNDER THE COMMITTEE'S POWERS OF CALL-IN**

(i) **OFFICE ACCOMMODATION – RELOCATION COSTS (EXEMPT APPENDIX)**

(Reports CAB1366 and PS270, Extract of Minutes of Cabinet 13 December 2006 and CL43 (including exempt appendix) refer)

The Leader stated that he was satisfied with the additional information requested by him and provided within the exempt appendix to Report CL43. During discussion, he acknowledged that some aspects of the additional expense, such as breakout areas, had not been discussed by non Cabinet Members in the context of the overall proposals. However, he advised that he had been satisfied that the principle of the additional costs associated with the proposal to relocate staff to the West Wing should be supported, as it remained cost effective in terms of efficiency.

The Chief Executive advised that the original principles of the project had not changed and that, that if requested, he could provide further briefings to Members.

RESOLVED:

That the exempt information contained with Appendix B to CAB1366 and Appendix A to Report CL43, be noted.

(ii) **TOWER STREET REPAIRS**

(Reports CAB1344 and PS270, Extract of Minutes of Cabinet 13 December 2006 refers)

As a member of the staff of Hampshire County Council, Councillor Collin declared a personal and prejudicial interest in respect of this item, which related to contractual negotiations with the County Council. He left the room during its consideration.

The Committee noted that Cabinet had considered the proposal at its meeting held on 13 December 2006 and had recommended to Council on 10 January 2007 that, in principle, the necessary capital budget provision be approved. Council had supported this recommendation, subject to further technical and legal advice.

The Chairman advised that, following the decisions of Cabinet and Council, the Committee should focus discussion on the processes involved in the proposals, rather than on the decision made.

The Committee considered the above Report, and related minute extracts of the discussions of Cabinet with regard to proposals relating to repairs to Tower Street Car Park (detail in exempt minute). The Committee decided not to call the matter in for review.

17. **EXTRACT OF MINUTES OF CABINET - 13 DECEMBER 2006 (EXEMPT APPENDIX)**

(Report PS270 refers)

RESOLVED:

That the exempt information as contained within the appendix, be noted.

The meeting commenced at 6.30pm and concluded at 9.55pm.

Chairman