

COUNCIL

24 February 2011

EXTRACTS FROM MINUTES OF PRINCIPAL SCRUTINY COMMITTEE – 14
FEBRUARY 2011

REPORT OF HEAD OF DEMOCRATIC SERVICES

Contact Officer: Chris Ashcroft Tel No: 01962 848 284
cashcroft@winchester.gov.uk

RECENT REFERENCES:

None

EXECUTIVE SUMMARY:

Appendix A to this report sets out minute extracts relating to issues for the consideration of Council.

RECOMMENDATION:

That Council considers the matters set out in the minute extracts.

Appendix A**EXTRACTS FROM MINUTES OF PRINCIPAL SCRUTINY COMMITTEE – 14
FEBRUARY 2011****1. ADOPTION OF CHANGE PLANS**
(Report CAB2119 refers)

The Committee noted that, at its meeting on 9 February 2011, Cabinet had recommended to Council that the proposals as outlined in the Report be agreed as set out.

The Assistant Director (Economic Prosperity) explained that the Change Plans were a move towards a new commissioning approach to providing Council services. In time, they would also create a policy framework to deliver the City Council's commitments and projects, as well as the agreed outcomes of the Local Strategic Partnership. The processes involved in the commissioning and monitoring of the Plans were explained, including their support of new outcome focused business planning processes. The document would also help to drive the Council's future budget setting.

During discussion, the Committee asked a number of detailed questions, the responses to which are summarised below:

- (i) With regard to the Active Communities Theme 5 (page 29), although Winnall and Stanmore were initial priority areas for the tackling of deprivation, it had been recognised that there were other areas in the District where this was also an issue. The Leader explained that Stanmore and Winnall had been identified via the 'Index of Multiple Deprivation', which measured indices against areas of similar sized populations. Although these areas had been identified as requiring initial attention, other 'pockets' of deprivation in the District (including in rural areas) could have smaller projects commissioned to assist in due course.
- (ii) Councillor Thompson reported on the existing work of the Crime and Disorder Reduction Partnership (CDRP), which continued to successfully reduce the impact of the 'fear of crime' throughout the District.
- (iii) The provision of accessibility to services for the elderly would continue to be supported, though alternative approaches may have to be considered. The Leader advised that a review of the Council's outreach offices was being undertaken which would have regard to the nature of enquiries and footfall.
- (iv) With regard to 'building a low carbon economy' as part of the Economic Prosperity theme (page 36), the Assistant Director

(High Quality Environment) drew attention to the associated measures of success on page 37. He confirmed that the City Council was still working towards achieving the targets for the reduction of carbon emissions for the District (and others referred to elsewhere in the document).

- (v) The Assistant Director (Economic Prosperity) advised that the Commissioning Team would facilitate in bringing partners together to deliver actions. In future, there would be more emphasis on networks of partnerships, rather than of round table discussions at previous partnership meetings.
- (vi) The Assistant Directors described the measuring of performance of achieving outcomes. Initial baseline performance information was as set out in the document, although it was appreciated that there was some further work to achieve this information in some of the Active Communities themes.
- (vii) The Chief Executive reminded Members that 'commissioning' was a new approach to delivering services to communities and would use existing resources of the Council and achieve maximum value for money. The process was also reflected in the Government's 'Big Society' agenda. It was recognised that some community organisations could deliver the Council's key objectives in a better way than it could on its own. The Committee was reminded that the Council's key clients had been previously been commissioned in a similar way to deliver services. As part of this process, the organisations must satisfy various criteria, which was formalised as part of a memorandum of understanding.
- (viii) The Chief Executive explained that the processes involved in the awarding of commissions to partner organisations would depend on the level of the service being commissioned. It was agreed that further information on these processes (which had previously been circulated to Members) be redistributed outside of the meeting for information. The Chief Executive also advised that the proposals for changes to the Council's Overview and Scrutiny role would allow for the high level scrutiny of aspects of the Change Plans, and for in-depth scrutiny (possibly assisted by Informal Scrutiny Groups) of the work of partners previously commissioned to deliver specific services.

During debate, the Committee acknowledged the various drivers behind the need to move away from the traditional business models of the Council in delivering services. It was noted that the commissioning of services was a method that had successfully been undertaken within the voluntary sector, and was also part of the Government's Big Society agenda. However, the new approach should not be allowed to have a negative impact on the Council's various statutory duties. The

process of 'working back' from desired outcomes for residents was welcomed.

The Leader responded to some concerns about the accessibility of the document to the public, due to jargon and also of possible inaccuracies in the document. It was therefore suggested that Members draw these to the attention of the Assistant Directors via email as soon as possible.

In conclusion, the Committee congratulated the Assistant Directors for their work in producing the documents and generally supported the concept of commissioning of services and the development of 'working partnerships' with an equal interest in delivering an outcome. However, the Committee requested that the Assistant Directors revisit some of the terminology in the documents. For example, it was unclear whether the commissioning of a partner to deliver a desired outcome could take place as, by definition, partnerships collectively worked together to achieve an outcome. Such terminology should be clear as it might impact on the proper accountability of organisations carrying out work on behalf of the Council.

RECOMMENDED:

- 1. THAT THE BROAD PRINCIPLES OF THE CHANGE PLANS AT APPENDIX 1 TO REPORT CAB2119 BE SUPPORTED.**
- 2. THAT THE MATTERS ARISING FROM DEBATE, AS SET OUT ABOVE, BE DRAWN TO THE ATTENTION OF COUNCIL.**

2. **BUDGET AND COUNCIL TAX 2011/12**
(Report CAB2125 refers)

The Committee noted that, at its meeting on 9 February 2011, Cabinet had recommended to Council that the Budget and Council Tax 2011/12 be agreed as set out.

The Leader referred the Committee to Appendix E to the Report – proposed Budget Growth and Savings. Member's attention was drawn to the new items coming forward as highlighted within this table. With regard to 'Area Based Insulation Scheme', a firm budget commitment would not be made until full details of the scheme were forthcoming. Further work was also being undertaken with regard to 'Localising Planning fees' which would also ascertain the level of income that the Council could be expected to achieve.

RECOMMENDED:

THAT THE GENERAL FUND BUDGET FOR 2011/12 BE NOTED.

3. **TREASURY MANAGEMENT STRATEGY 2011/12**

(Report CAB2117 refers)

The Committee noted that, at its meeting on 9 February 2011, Cabinet had recommended to Council that the Treasury Management Strategy 2011/12 be agreed as set out.

The Head of Finance explained that the Strategy did not reflect at this time the potential impact of the Housing Finance Reform from the current subsidy system to a system of self-financing. Government had recently announced details of the reform and it was envisaged that the changes would be implemented from April 2012. The Committee was advised that the impact of these changes might require a further review of the Treasury Management Strategy within the year.

During discussion, the Head of Finance also drew attention to the details of the Council's Local Authorities' Mutual Investment Trust (LAMIT) at paragraph 12.1 on pages 15-16 of Report, which had been previously requested by the Committee. The tendering process for the Council's Treasury Management Advisor (paragraph 13.2 of the Report) was explained and Members were advised that three responses had been received. These organisations would, as part of the process, be required to give presentations to officers and the Portfolio Holder in respect of which they would be scored accordingly. The contract would commence on 1 April 2011.

RECOMMENDED

1. THAT THE TREASURY MANAGEMENT STRATEGY 2011/12 AS SET OUT IN REPORT CAB2117 BE APPROVED, INCLUDING:

A) THE ADOPTION OF THE PRUDENTIAL INDICATORS 2011/12-2013/14 SETTING OUT THE EXPECTED CAPITAL ACTIVITIES (AS REQUIRED BY THE CIPFA PRUDENTIAL CODE FOR CAPITAL FINANCE IN LOCAL GOVERNMENT) AND THE TREASURY MANAGEMENT PRUDENTIAL INDICATORS THAT ARE NOW IN CIPFA TREASURY MANAGEMENT CODE OF PRACTICE.

- B) A REVISION OF THE CAPITAL FINANCING REQUIREMENT FOR 2010/11 (CURRENT YEAR).**
- C) THE MINIMUM REVENUE PROVISION (MRP) STATEMENT WHICH SETS OUT THE COUNCIL'S POLICY ON MRP WHICH SETS OUT HOW THE COUNCIL WILL PAY FOR CAPITAL ASSETS THROUGH REVENUE EACH YEAR.**
- D) THE INVESTMENT STRATEGY 2011/12 CONTAINED IN THE TREASURY MANAGEMENT STRATEGY, AND THE DETAILED CRITERIA INCLUDED IN APPENDIX A.**

2. THAT THE STRATEGY BE KEPT UNDER REGULAR REVIEW TO TAKE ACCOUNT OF ANY CHANGES IN THE CURRENT GLOBAL ECONOMIC SITUATION.
