

MINUTES OF A MEETING OF THE
CORPORATE BUSINESS SCRUTINY
COMMITTEE HELD IN THE COUNCIL
CHAMBER, WALLFIELDS, HERTFORD ON
TUESDAY 27 AUGUST 2013, AT 7.00 PM

PRESENT: Councillor D Andrews (Chairman)
Councillors S Bull, E Bedford, G Jones,
J Ranger, R Sharma, G Williamson and
J Wing

ALSO PRESENT:

Councillors P Ruffles and M Tindale

OFFICERS IN ATTENDANCE:

Lorraine Blackburn	- Democratic Services Officer
Marian Langley	- Scrutiny Officer
Graham Mully	- Risk Assurance Officer
Ceri Pettit	- Corporate Planning and Performance Manager
Adele Taylor	- Director of Finance and Support Services

196 APOLOGIES

Apologies for absence were submitted on behalf of Councillors J Mayes, T Page and M Pope. It was noted that Councillor S Bull was substituting for Councillor T Page.

197 MINUTES – 2 JULY 2013

RESOLVED – that the Minutes of the meeting held on 2 July 2013 be confirmed as a correct record and signed by the Chairman.

198 SCRUTINY WORK PROGRAMME

The Chairman submitted a report setting out the Committee's future work programme for 2013/14, the detail of which was set out in Essential Reference Paper "B" to the report now submitted.

The Scrutiny Officer drew Members' attention to the Council's 2014/15 budget process and timeframes and queried whether there was a need to hold a Corporate Business Scrutiny Committee meeting in October 2013. The Director of Finance and Support Services suggested that a "Budget Café" for Members could be arranged in 2014 when the Council had more information from Central Government on its funding levels and this would allow Members to be better informed during the subsequent scrutiny process. The October meeting was seen to be unnecessary as not enough detail would be available by that date for any meaningful discussion to take place.

The Scrutiny Officer advised Members of the training sessions which would be arranged regarding Government Funding, on the Medium Term Financial Plan and a "clinic" which the Director of Finance and Support Services would be holding for Members with questions about the budget setting process before its consideration by a joint meeting of Scrutiny Committees and before the Executive.

In terms of adding further items onto the work programme, the Chairman suggested that the Committee might wish to receive a report on webcasting following several news items and a recent central government publication on this issue from central Government sources. This was supported.

Members approved the Work Programme, as now amended.

RESOLVED – that (A) the Work Programme as now amended, be approved; and

(B) unless there were any urgent items, the 8 October 2013 meeting of the Corporate Business Scrutiny Committee be cancelled.

199 MONTHLY CORPORATE HEALTHCHECK APRIL TO JUNE 2013

The Director of Finance and Support Services submitted an exception report on finance and performance monitoring for the period April to June 2013, the detail of which was set out in the report now submitted and supporting Essential Reference Papers.

The Corporate Planning and Performance Manager explained that the 2013/14 Planning Contingency budget at the start of the financial year had been £591,000 and that £502,000 was still available to deal with risks and issues that arise in year. Updates were provided in relation to Performance Indicators generally and those which fell within the remit of Corporate Business Scrutiny Committee.

In response to a query from Councillor J Ranger regarding monies which the Council had received to deal with illegal parking, the Director of Finance and Support Services explained that a sum which was in excess of £180,000 had been included in the outturn figures for 2012/13.

In response to a query from Councillor G Williamson regarding loss of income from parking machines being broken into, the Director of Finance and Support Services explained that the Council was not insured against losses from the machines adding that the insurance excess

which the Council would have to pay, would be greater than the sums lost. In response to a further query, Members were advised that the machines were not covered as insurers were not willing to take this on.

In response to a query from Councillor R Sharma on what the Council could do to deter theft and damage, including the use of dye as a deterrent, the Risk Assurance Officer undertook to explore what options might be available adding that increased use of CCTV could be a option.

In response to a query from Councillor S Bull regarding the CCTV refund of £8,000 from Stevenage, the Director of Finance and Support Services explained how the partnership refund arrangements worked.

Members noted that the performance indicators on ICT were not fully detailed as trends and baseline data were still being established.

Members received the report.

RESOLVED – that the report be received.

200 CORPORATE ANNUAL REPORT 2012/13

The Leader of the Council submitted a report providing Members with an initial draft of the Council's Annual Report for 2012/13, the detail of which was set out in the report now submitted and the Essential Reference Paper.

The Corporate Planning and Performance Manager explained that the draft set out the Council's achievements against its corporate priorities, its financial position and performance against key indicators and when published would include 2012/13 outturn figures.

Members noted that there was a duplication of one bullet point that had occurred in terms of the number of roads cleaned in the District. It was also noted that following presentation of the draft final accounts for 2012/13 to

Audit Committee, the pie chart showing where our money comes from had been further broken down in regard to Government Grants. This will be updated in the final draft.

Councillor S Bull said that he was “astounded” by the amount which was paid out in terms of benefits when displayed in this format.

In response to a query from the Executive Member for Finance regarding leisure users, the Corporate Planning and Performance Manager undertook to check the figures again and clarify ‘users’ as visits not membership numbers.

In response to a query from the Chairman, regarding what Members might also wish to see included in the Annual Report, Councillor G Jones stated that the Council had only focussed on the positives and that a more balanced approach might be to include what it had not achieved. The Director of Finance and Support Services commented that the final version of the Annual Report would include all of the Council’s Performance Indicators which would show where performance had both reached and not reached expected targets.

The Committee received the report and supported its recommendation to the Executive for approval.

RESOLVED – that the 2012/13 Annual Report be recommended to the Executive for approval.

201 4 YEAR CORPORATE STRATEGIC PLAN (2014/15 TO 2017/18)

The Leader of the Council submitted a report presenting a draft of the Council’s Corporate Strategic Plan which outlined the Council’s priorities for the next four years and the key outcomes it hopes to achieve. The report also highlighted the high level priorities and identified the key activities that will be undertaken, the detail of which was set out in the report now submitted and supporting

Essential Reference Papers.

The Corporate Planning and Performance Manager explained how the core document was broken down and welcomed Members' views on the draft.

Councillor S Bull expressed his dismay at the dissolution of Community Voice meetings which he felt, gave the community an opportunity to voice their concerns and needs. Councillor J Wing felt that Community Voice meetings were not that useful as only a small number of regular attendees ever came and that Officers' comments could only ever be limited in the absence of senior representation.

Councillor J Wing asked that the heading of paragraph 3 "Organisation and Culture – Here to Help You" be amended by the deletion of "Here to Help You" as he felt that the latter words were patronising and preferred the inclusion of "Here to give good service". Councillor J Ranger suggested that Officers be given more training to provide better service.

The Committee received the report.

RESOLVED – that the Corporate Strategic Plan for 2014/15 to 2017/18, as now submitted, be recommended to the Executive for approval.

202 EAST HERTS REVISED RISK MANAGEMENT STRATEGY

The Leader of the Council submitted a report that detailed the updates to the Risk Management Strategy, the detail of which was set out in the report now submitted and supporting Essential Reference Papers. Members were advised that the Strategy had been updated to reflect current best practice, that all risks could be viewed by Members using Covalent and that the Strategy would be updated annually.

Councillor J Ranger stated that the revised strategy and

the risk matrix were more understandable than previously. He reminded Members that there was also a need to consider the Council's reputation in managing risk.

Members received the report and complimented Officers on the work undertaken.

RESOLVED – that the report be received and supported.

203 FINANCIAL STRATEGY AND MEDIUM TERM FINANCIAL PLAN TO 2017/18

The Executive Member for Finance submitted a report inviting Members of Corporate Business Scrutiny Committee to consider revisions to the Financial Strategy, including its policy on using reserves and the proposed planning assumptions to be used to update the Medium Term Financial Plan for 2014/15 to 2017/18, the detail of which was set out in the report now submitted and Essential Reference Papers.

The Director of Finance and Support Services explained how the various sections of the report had been broken down and drew Members' attention to the announcements made in June 2013 around funding for Local Government in the Comprehensive Spending Review. The key points were set out in the report now submitted.

The Director of Finance and Support Services reminded Members that savings would be achieved in relation to shared services for ICT, Print and Design and Business Improvement, and these had been included within the Medium Term Financial Plan as presented to this meeting. Underlying assumptions had also been made around inflation, savings and growth. Members noted that the budget would be set in January 2014. Scrutiny would have an opportunity to consider the detailed budget setting at future meetings, prior to the final budget.

Officers are currently undertaking budget challenge sessions with budget holders and the outcome of these meetings would feed into the final budget process.

Councillor J Ranger supported the proposed £200,000 contingency to help meet any changes in funding. He referred to the triennial review of pensions which would report in November 2013 and of the Council having to meet additional contributions. This could be funded either through additional ongoing revenue funding or as a one off payment. The Director of Finance and Support Services suggested that Members may wish to consider funding any one-off sums from the Council's General Reserves if the financial implications of doing so were favourable.

Councillor J Ranger referred to the planning assumptions in relation to contract inflation and the different assumptions across contracts. The Director of Finance and Support Services explained the different factors that were included in the major contracts and stressed the importance of choosing the most appropriate inflation factor when procuring services.

Councillor J Wing sought clarification on the New Homes Bonus and how this was applied to parishes. The Executive Member for Finance provided clarification. He referred to the triennial review of Pension contributions and suggested that it might be prudent for the Council to make a one off payment to ease the burden going forward. He sought Members views on the suggestion.

Councillor G Jones stated that it would be embarrassing for the Council to hold more in the general reserve pot than it should as this could be seen as having "taken from residents" more than was needed and that reserves should be used to assist the community and cut down pension deficit.

The Chairman stated that there was nothing embarrassing about achieving more with less and that

there was merit in saving money by being able to make a contribution to the pension fund. The Executive Member for Finance reminded Members that Council Tax last year had been reduced and that Members might also want to consider reducing fees and charges, and look initially to fund any financial implications from the general reserves.

The Director of Finance and Support Services referred to the Government's new funding regime in terms of the Revenue Support Grant, and retention of business rates and that it was anticipated that this would be cut by 10% per year from 2015/16. In response to a query from Councillor J Wing, the Director of Finance and Support Services explained the basis of "Invest to Save" and how this affected the Council.

Members supported the suggestion that the Council should reduce its level of general reserves and that they be applied particularly in relation to keeping car park charges down and reducing the pensions shortfall and that these be fully costed for further consideration.

The Committee received the report.

RESOLVED – that the Executive be advised that
(A) the proposed financial strategy be recommended for approval;

(B) the planning assumptions set out in this report should be adopted by the Council as the basis for framing the 2013/14 budget and Medium Term Financial Plan to 2014/15; and

(C) the concept of reducing the Council's General Reserves particularly in relation to keeping car parks charges down and reducing the pensions shortfall, be supported and that these be fully costed for further consideration.

204 ANNUAL GOVERNANCE STATEMENT 2012/13 AND ACTION PLAN 2013/14

The Leader of the Council submitted a report presenting the 2012/13 Annual Governance Statement and the 2013/14 Annual Governance Statement Action Plan. Essential Reference Paper 'B' showed the version of the Annual Governance Statement with tracked changes detailing the amendments made to the wording of the current document.

The Committee received the report.

RESOLVED – that the Annual Governance Statement 2012/13 and Action Plan 2013/14, be supported.

The meeting closed at 8.50 pm

Chairman
Date