

SCRUTINY BOARD (CENTRAL AND CORPORATE)

MONDAY, 1ST MARCH, 2010

PRESENT: Councillor P Grahame in the Chair

Councillors J Bale, S Bentley, P Ewens,
M Hamilton, A Hussain, V Kendall, J Lewis,
A Lowe, A Parnham and D Schofield

Apologies Councillors B Chastney and A McKenna

68 Declarations of Interest

The following declarations of personal interest were made:-

Councillor P Ewens – Agenda Item 6(Minute No. 70 refers) – Minutes - 1st February 2010 – Community Engagement and Involvement – in her capacity as a Governor of City of Leeds High School.

Councillor A Lowe – Agenda Item 7(Minute No. 71 refers) – Financial Health Monitoring 2009/10 – Quarter 3 Report – in her capacity as a member of a Neighbourhood Network organisation management committee.

Councillor V Kendall – Agenda Item 7(Minute No. 71 refers) – Financial Health Monitoring 2009/10 – Quarter 3 Report – in her capacity as a member of a Neighbourhood Network organisation management committee.

Councillor J Lewis – Agenda Item 7(Minute No. 71 refers) – Financial Health Monitoring 2009/10 – Quarter 3 Report – in his capacity as a member of a Neighbourhood Network organisation management committee.

Councillor P Grahame – Agenda Item 7(Minute No. 71 refers) – Financial Health Monitoring 2009/10 – Quarter 3 Report – (a) in her capacity as a member of a Neighbourhood Network organisation management committee and (b) in her capacity as a member of the Swardale Swarcliffe Eastwood Residents' Association.

(See also later Minute No. 71.)

69 Apologies for Absence

Apologies for absence from the meeting were submitted on behalf of Councillors B Chastney and A McKenna.

70 Minutes - 1st February 2010

Minutes approved as a correct record
at the meeting held on Monday, 29th March, 2010

RESOLVED – That the minutes of the meeting held on 1st February 2010, be confirmed as a correct record.

71 Questions to the Executive Member (Central and Corporate), Financial Health Monitoring 2009/10 - Quarter 3 Report, and Performance Monitoring 2009/10 - Quarter 3 Report

The Board received and considered the report of the Director of Resources, submitted to the Executive Board on 12th February 2010, on Financial Health Monitoring for the period to the end of Quarter 3 2009/10, together with a Performance Monitoring Report covering the same period for those indicators which fell within the remit of the Scrutiny Board.

In attendance at the meeting and responding to Members' queries and comments were:-

- Councillor Richard Brett, Joint Leader of the Council and Executive Member (Central and Corporate).
- James Rogers – Assistant Chief Executive (Planning, Policy and Improvement).
- Doug Meeson – Chief Officer (Financial Management).
- Helena Phillips – Chief Officer (Resources and Strategy).
- Peter Hutchinson – Assistant Chief Officer (Revenues and Benefits).
- David Almond – Head of Human Resources.

In brief summary, the main issues discussed were:-

- What was the current anticipated budget deficit for 2009/10, and were the strategies to reduce the estimated deficit working?

At Month 6, the overall projected budget deficit had been £5.5m. It was now £6.7m, a variance of £1.2m from Month 6 to Month 9. Reference was made to the table set out at Paragraph 3.1 of the report of the Director of Resources, which summarised the variances at Directorate level and also summarised the measures by which it was intended to reduce this projected overspend of Directorates. It was explained that the overall variation needed to be reduced to no more than £4m if the Council's minimum reserves position of £12m was to be protected, and that work would continue to try to deliver this position.

- Councillor Brett referred to the effects of the unprecedented global recession on the economy in general and the knock-on effect for the Council of substantially reduced income levels and increases in demand for services and requests for assistance.

The Council had made a conscious decision to protect front-line services such as those relating to children and vulnerable adults. These particular areas had witnessed substantial increases in expenditure.

- Board Members expressed disappointment that the strategies previously reported to the Board for reducing the deficit did not appear to be working. Reference was made to cultural changes which appeared to be necessary within the authority to ensure that budgets were realistic and were adhered to, with overspends in one area off-set by cuts or efficiencies in another area. Given the Directorate nature of the Council's current structure, this expectation was regarded as reasonable and should be the norm.
- Reference was also made to a perceived need for further training and greater awareness of, and concentration on, budgetary issues within operating Directorates, and the need for closer monitoring and scrutiny of expenditure/income issues from day one and throughout the financial year, to avoid the kind of cost-cutting exercise the Council was currently engaged in.
- The delivery of the budget should be regarded as the paramount responsibility of every Director, and forecasting demand for services, and forecasting it realistically, was an integral part of the process.
- The above principles were regarded as essential prerequisites if the Council was to successfully weather what was expected to be a prolonged period of public sector austerity.
- The role which Scrutiny Boards could play in the process, e.g. activity analysis.
- The need for clarity of purpose and forward thinking when planning service changes, to avoid possible waste, including coterminous decommissioning of existing services.
- Members requested further details of the estimated £0.5m underspend on agency and contract payments within Adult Social Care (agenda page 16 refers).
- Progress on the DECATS service review (Delivering Effective Corporate and Transactional Services). It was reported that the data collection stage had now concluded. This would be followed by a series of workshops to identify potential efficiencies, duplication, best practice, etc. It was envisaged that a set of issues would emerge relating to potential efficiencies, service improvements and priorities, and an outline DECATS business case should be ready by May for consultation with Members.

- Job Evaluation – Apart from some outstanding appeals, Phase 1 of the job evaluation exercise was now complete. Phase 2 was progressing, but it was not anticipated that the outcome would have a substantial impact, one way or another, on the Council's finances.
- Consultants – The extent of the engagement of external consultants, and the associated costs to the Council, was discussed. Councillor Brett indicated that he looked forward to receiving the outcome of the Board's current Inquiry into this area. Members requested clarification regarding revenue and capital expenditure on consultancy services.
- Performance Indicator BP-20 –percentage of staff who have had an appraisal – the Board regarded both the target of 72% and the current performance level 67.7% to be completely unacceptable. The target and the performance level should both be 100%. Reference was made to rolling out good practice from the City Development Directorate across the Council, and Councillor Brett undertook to pursue a significant improvement in respect of this performance indicator.

RESOLVED – That, subject to the above comments and requests for further information, the reports be received and noted.

- (N.B. 1. Councillor M. Hamilton joined the meeting at 10.09am and left at 11.30am, during the consideration of this item;
 2. Councillor J. Lewis left the meeting at 11.03am, during the consideration of this item;
 3. Councillor D. Schofield left the meeting at 11.27am, during the consideration of this item;
 4. Councillor J. Bale declared a personal interest in this item, in relation to his daughter, who was a user of services provided by Adult Social Care).

72 Work Programme, Forward Plan of Key Decisions and Executive Board Minutes

The Head of Scrutiny and Member Development submitted the Board's work programme, updated to reflect decisions taken at previous meetings, together with a relevant extract from the Council's Forward Plan of Key Decisions for the period 1st March to 30th June 2010, and the minutes of the Executive Board meeting held on 12th February 2010.

RESOLVED – That, subject to any changes necessary as a result of today's meeting, the Board's work programme be approved.

73 Date and Time of Next Meeting

Monday, 29th March 2010, 10.00 am (Pre-Meeting 9.30 am).