

## **Resources and Governance Overview and Scrutiny Committee**

### **Minutes of the meeting held on 10 December 2009**

#### **Present:**

Councillor Watson - In the Chair  
Councillors Bhatti, Clayton, Glover (RG/09/75 - 82), Jones (RG/09/75 - 82), McCulley, Morrison, P Murphy, Sandiford and Trotman.

Councillor S Newman – Executive Member for Children’s Services  
Councillor Priest – Executive Member for Finance and Human Resources

#### **Apologies:**

Councillor Swannick

### **RG/09/73 Urgent Business**

A report on the Directorate of Transformation Projects and a report on the City Region Pilot and Governance were submitted for consideration as urgent business.

#### **Decision**

To accept the items as urgent business.

### **RG/09/74 Minutes**

Minutes of the meeting held on 12 November 2009 were submitted for consideration.

#### **Decision**

To approve the minutes of the meeting of held on 12 November.

### **RG/09/75 City Region Pilot and Governance**

A report of the Chief Executive was submitted providing an update on the City Region Pilot and associated governance arrangements. The report would be submitted to the Executive on 16 December 2009; the Scrutiny Committee was asked to comment on the recommendations being made to the Executive.

The report on the City Region Pilot and Governance submitted to the Association of Greater Manchester Authorities (AGMA) Executive Board on 27 November 2009 was also submitted. This report explained that Government had committed to examining how new powers and responsibilities on transport can be devolved to Greater

Manchester. It also included a summary of the outcome of the consultation on transport governance.

Members asked what effect the new governance arrangements would have on the Greater Manchester Integrated Transport Authority (the ITA.) The Chief Executive advised that AGMA had negotiated greater powers for transport with Government in exchange for strengthened governance arrangements to oversee the exercise of these powers. This would include the formal establishment of a Combined Authority for Greater Manchester and the introduction of a Joint Committee for transport with greater powers than the ITA. The Joint Committee for Transport, which could be named Transport for Greater Manchester, would replace the ITA and have the same composition and membership.

Members welcomed the proposals and felt they would give the city greater control over its own transport arrangements and the ability to manage highways issues that cross local authority boundaries more effectively.

Members noted that the proposed governance model was not the model which had received the most support in the consultation on transport governance. The Chief Executive advised that negotiations with Government were at a more advanced stage than when the consultation was initiated. It was now clearer that an opportunity for genuine devolution was available and the proposed model was the most suitable one to capitalise on this.

Members commented that the city faced a number of challenges in achieving the goals for the city set out in the Community Strategy and that they felt that the pilot was an opportunity to accelerate progress to achieve these goals. The Chief Executive added that the ability to make choices and commission services in relation to worklessness, skills, transport and other areas would bring great opportunities as well as responsibilities.

## **Decision**

1. To commend the recommendations in the report to the Executive.
2. To request that the report that is due to be submitted to the Executive early in the new year on the development of governance arrangements for the City Region Pilot is brought to this Committee for comment first.
3. To register the Committee's support for the work to develop strong governance arrangements to ensure the City Region Pilot brings as much benefit as possible to the people of Manchester.

[Councillors McCulley and Sandiford declared personal interests as members of Greater Manchester Integrated Transport Authority.]

[Councillor P Murphy declared a personal interest as Chair of the Public Safety Commission.]

## **RG/09/76 Local Area Agreement Quarter Two Performance Report**

A report of the Assistant Chief Executive (Performance) was submitted. The report included details of performance in the Local Area Agreement targets between the period 1 April 2009 and 30 September 2009. The Assistant Chief Executive (Performance) highlighted that whilst the number of performance indicators more than 10% off target had increased, only a slight improvement in performance was required to raise them out of this category.

The Chair drew attention to the recent Comprehensive Area Assessment result which rated the Council's performance highly. The Assistant Chief Executive commented that the Council would be looking at the green flags (indicating an area of good practice) awarded by the Audit Commission to other local authorities to see if there were any practices the Council can amend to improve performance further.

The Assessment had led to a green flag for the Partnership's 'Guns and Gangs' work, but a red flag for school attendance. Members asked the Deputy Director of Children's Services to identify how this would be addressed. He said that there had been an improvement in performance albeit gradual, and independent advice and research validated that the approach to addressing the problem was the right one, and that over time the trend would improve.

The Committee had selected six targets to focus upon in the meeting, and asked officers to explain how the Manchester Partnership was supporting an improvement in performance and respond to questions raised by a member of the Committee in advance of the meeting.

### **Looked after Children**

The Deputy Director, Children's Services, addressed the target for the number of Looked After Children (LAC). He highlighted the recent *Southwark* judgment which suggested that in some circumstances homeless children should be brought into the care of the Local Authority. The Council was looking into the implications of this judgment. The Executive Member for Children's Services highlighted that numbers of LAC in Manchester had increased less than the national average, and that there was no conceptually 'right' number. If a child needed to be brought into the care of the Local Authority, the Council would not hesitate to do so.

Question had been raised in advance by a member seeking assurance that the numbers of LAC over the age of 16 is calculated, and asking how the numbers of unstable adoptions (National Indicator NI 61) compared to other areas. The Deputy Director advised that this data was collected, and that a large number of LAC were aged 16 or over. Whilst the figure for unstable adoptions was below the national average, the Partnership was working to improve performance in this area to meet the target.

### **Under 18 Conception Rates**

The Deputy Director of Children's Services highlighted that the data in the report was two-years old due to a reporting time-lag, and performance for the current time period was expected to be better. Work to reduce under 18 conception rates focused on improving teenager's understanding and confidence, improving access to contraception and improving aspirations. Members noted that children who were born to parents below the age of 18 were less likely to achieve good outcomes in later life. A member asked whether the Partnership was looking at good practices in other areas. The Teenage Pregnancy Co-ordinator advised that the Council was aware of good local practices in Oldham and Liverpool.

## **Housing**

Introducing target NI 154, Net Housing Additions, the Director of Housing stated that the target was set before the economic downturn, and now it appeared unrealistic to expect it to be hit. However he added that the Council was expected to achieve the targets it had set by 2026, and would continue to support the goals of the city by supporting sufficient housing to cater for economic growth, whilst encouraging home ownership.

In relation to target NI 155, Affordable Homes Delivered, members disagreed with the factual base that the written questions to the Director of Housing were based upon. The Director of Housing advised that new planning regulations required the provision of appropriate levels of affordable housing in new developments, and this would support an increase in affordable housing in the city.

## **Out of Work Benefits**

The Acting Head of Economic and Urban Policy responded to the written questions submitted and outlined how the Manchester Partnership was supporting improved performance in the local target for residents claiming out of work benefits and the rate of out of work benefit claimants (NI 152). She advised that the Partnership had developed a 'City Strategy' which aimed to reduce the number of people in receipt of out of work benefits by 12,500 by 2010. She added that sustained improvements had been made in reducing the numbers of people in receipt of Incapacity Benefit and the numbers of lone parents in receipt of income support. However the economic downturn had led to an increase in the number of people in receipt of Jobseekers Allowance. Evidence demonstrated that the approach that the Partnership had adopted in this area was working well but improvements in performance had been thwarted by the downturn.

The Chair reminded members of the Committee of their role in scrutinising these performance reports which was to test how the Manchester Partnership was supporting improvements in performance, and to refer detailed scrutiny of individual targets to other overview and scrutiny committees where they felt that this was required. She added that some of the questions raised had effectively duplicated scrutiny which would take place in other Committees.

## **Decision**

To note performance in the Local Area Agreement targets for quarter 2.

[Councillor Morrison declared a personal interest as a board member of City South Housing Trust]

### **RG/09/77 Medium Term Financial Strategy**

A report of the City Treasurer and Chief Executive was submitted outlining the Medium Term Financial Strategy for the financial years 2010/11 to 2012/13. This set out the framework within which the financial plan for this period would be developed. The report also included proposals for the public consultation on the budget following discussions with this Committee. The Strategy had been agreed at the Executive meeting on 18 November 2009.

Members asked how residents' contributions to the consultation would be responded to within the timetable set out in the report. The City Treasurer advised that respondents would initially receive an acknowledgement of their contribution, and then later an indication of how their comments have been taken into account in setting the budget.

Members also asked the City Treasurer to outline the main implications of the Chancellor's recent Pre-budget Report for the City Council. The City Treasurer advised that the budget would be based on an assumption that the Revenue Support Grant in cash terms would be frozen and that area based grants would be reduced. He added that it was likely that the increase in employers' contributions to National Insurance would cost the Council in the region of £1 million. He advised that the greatest influence on the Council's financial position would be the movement of interest rates. He added that times would be harder, but that the Council's budget was still one which can improve council services.

The Chair highlighted the importance of good business planning processes to ensure that the Council was making the best use of its resources.

### **Decision**

To note the Council's financial strategy and its approach to budget-setting in the current financial climate.

### **RG/09/78 Information and Communication Technology (ICT)**

A report of the Chief Information Officer was submitted appraising the Committee on the long-term impact on services of the ICT disruptions in February and March 2009 and on the installation of Wyse terminals. The Chief Information Officer advised that the Council's approach was to make its ICT estate more secure and then to look to transform it to embrace and support more efficient ways of working. The roll out of Wyse terminals had so far not been at the pace initially hoped as some software applications that the Council needed to use could not be accessed by using the terminals.

A member challenged the comment in the report that reducing the number of suppliers would reduce costs, as suppliers would have the opportunity to exploit their relationship with the Council. A member also asked whether computers which were now too old to be used by the Council could be made available to libraries, residents or schools.

The Chief Information Officer advised that the reduction in suppliers had been done to support new ways of working where BlackBerries, telephones and computers used the same technology and allowed effective mobile working. He added that, sadly, by the time the computers were no longer of use to the Council they were so outdated that they would no longer be useful to other people.

The Chair urged the Chief Information Officer to resolve the existing problems with the deployment of Wyse terminals, and continue the roll out as quickly as possible. She added that the PC's used by scrutiny chairs may be suitable to be replaced with Wyse terminals.

### **Decision**

To note the report and to urge the Chief Information Officer to resolve the existing problems with the deployment of Wyse terminals, and continue the roll out as quickly as possible.

### **RG/09/79 Directorate of Transformation Programmes**

Two reports from the Directorate of Transformation were submitted, one on the implementation of the Customer Relationship Management (CRM) and Electronic Document Record Management (EDRM) Systems, and one on the range of work and outcomes of the projects within the portfolio of the Directorate of Transformation.

#### **Customer Relationship and Electronic Document Management Systems**

The Chief Information Officer advised the Committee that the Council had been tendering for a CRM system which would enhance the service the Council could offer local residents. The Council had procured the Microsoft Dynamics system to fulfil this role as it allowed the Council to transform and improve its services in the way it had envisaged. The report detailed expenditure on the two systems with reference to the budgets that had been allocated to them.

Members questioned whether a Microsoft system would be targeted by malicious viruses, as many computer hackers tend to target Microsoft systems. The Chief Information Officer advised that security had been a factor in selecting a system, and that computer hackers tended to target home computing software systems, rather than commercial systems.

In relation to the £2.5 million spent producing operational improvements from the development of a customer contact model for Environmental Services, some members added that they felt the Environment-on-Call system was still not meeting the needs of local residents. The Strategic Director of Transformation responded that she would be

very interested in hearing these complaints to better understand residents' perceptions of the service. She added that overall satisfaction with the service was very high.

The Chair reinforced that the success of these systems in improving ways of working would depend on how well trained staff have been in using them to their potential.

### **Directorate of Transformation Portfolio**

The report set out a range of projects which the Directorate was involved in which were designed to improve customer service, value for money and ensure that the citizen is at the forefront of everything the Council does.

Focusing on the customer contact centre members asked whether the centre would be open during evenings or weekends. The Strategic Director of Transformation advised the Committee that she was looking into the level of demand for out-of-hours contact to see if this would be warranted, and would ensure that as many contact services as possible would be available via the internet to support queries raised outside of standard working hours.

Members asked how queries which required a specialist response and how queries of a sensitive nature would be handled. The Head of Transformation responded that staff in the centre would be generalists so that specialists' time would be freed to undertake matters which required specialist expertise, including answering specialist queries. The Strategic Director also advised that general staff in the contact centre would not deal with sensitive calls, for example about care arrangements for friends and relatives, in a call centre environment. Calls of this nature would be handled in a sensitive manner.

The Chair asked the Strategic Director whether she was satisfied with the rate of progress for the Directorate of Transformation projects, particularly the move to First Street and the Customer Contact Centre. The Strategic Director advised that she was confident that the Directorate had the right people with the right skills to continue to support the Council's drive to put the customer at the heart of everything it does.

### **Decision**

To note the reports and the progress the Directorate is making in implementing the transformation programme.

### **RG/09/80 Setting of the Council Tax Base for Budget Setting Purposes**

A report of the City Treasurer was submitted advising the Committee of the method used for calculating the City Council's tax base for tax setting purposes for the 2010/11 financial year and the reasons why it was requested that this decision is exempted from the call-in process.

### **Decision**

To support the Chair in exempting this decision from the call in process.

### **RG/09/81 Budgets and Financial Plan – Business Plan**

A report of the Chief Executive and City Treasurer was submitted outlining the Council's business planning process and asking the Committee to choose which business plans to look at at their next meeting.

#### **Decision**

To look at the business plans for Communications and Sports and Leisure at the Committee's next meeting.

### **RG/09/82 Information and Overview Report**

A report of the City Solicitor was submitted. The report tracked the implementation of previous recommendations from the Committee and included an overview of the Council's forward plan as it related to the Committee's remit. The Committee's work programme was also included.

#### **Decision**

To note the report and accept the Committee's work programme.