

Resources and Governance Overview and Scrutiny Committee

Minutes of the meeting held on 16th October 2008

Present:

Councillor Watson – In the Chair.

Councillors Bhatti, Clayton, Hitchen, M. Khan, Morrison, P. Murphy, Sandiford, Smith and Trotman.

Present by Invitation:

Councillor Priest, Executive Member for Finance and Human Resources.

Unable to be present: Councillors Glover, Jones and Brian O'Neil.

RG/08/44 Minutes

Decision

To approve the minutes of the meeting held on 4 September 2008 as a correct record.

RG/08/45 School Governance

The Committee considered a report of the Director of Children's Services reviewing progress on the development of school governance since the Committee last considered the matter in March 2008.

Securing good governance in Manchester schools was a key element of the Education Redesign Service Project recognising that effective governance was critical to sustainable school improvement. This work was approached across five key themes:

- Supporting school improvement within the context of Every Child Matters to achieve the best possible outcomes for children and young people.
- Education of school governors on the evolving role of school governance in achieving school improvement and developing governor capacity to ensure that there is sufficient strategic challenge and direction to support the change required.
- Ensuring sufficient support for a diverse educational portfolio which is rapidly changing, including new initiatives such as Academies, Federations and Building Schools for the Future.
- Ensuring sufficient compliance and control to meet key statutory obligations such as Financial Management in Schools standards, through developing a template of good school governance.

- Building team capacity to support a complex range of governor needs and linking the team firmly into the service post-ESR implementation.

The report indicated that many of the changes highlighted to the Committee previously had been delivered and were starting to re-shape governors' experience of the service they receive from the Governor Support Team and the wider authority. Initial feedback was extremely positive.

Welcoming the report members recognised significant achievements made to date but some concerns remained in terms of the take-up by schools of the clerking service for governing bodies, and in a wider sense about the support package available to governing bodies. Members still felt that there was a way to go in establishing the changed relationship between schools and the authority, and felt that many governing bodies had yet to fully grasp the scale of change. Officers indicated that the clerking service was being promoted as a key element of the challenge process for schools striving to achieve better standards of governance and that the number of schools subscribing to the service had increased since the report was prepared. A range of quality guidance was also being offered to schools to improve the effectiveness of governing bodies and to provide governors with the skills required to challenge the management of schools and to exercise sound financial control over school budgets.

Decision

To welcome the progress being made.

RG/08/46 Annual Accounts Process

The Committee considered a report of the City Treasurer outlining actions taken to ensure that the Council achieved a better Use of Resources score on the 2007/2008 Annual Accounts process, and further action that needed to be taken to further improve the process in 2008/2009.

The Committee noted that over 50 amendments were made to the draft accounts approved by the Audit Committee in 2007 (a significant increase on the previous year) and resulted in a Score of 1 (inadequate) for financial statements, and action was clearly necessary to improve the position. The 2007/08 accounts were approved by the Audit Committee in September 2008 with an acknowledgement by Grant Thornton (the Council's auditors) that the Council had demonstrated its commitment to improve the accuracy of the accounts and that the number of amendments had reduced from the previous year. They also commented favourably on the electronic working papers. In total there were thirteen amendments to the accounting statements (excluding changes to improve the presentation of the accounts). Of these changes five were as a result of further accounting interpretations agreed after the finalisation of the draft accounts in June and two were as a result of further information being available since the finalisation of the draft accounts. Only six amendments were as a result of errors and the majority of these

related to the introduction of debtors and creditors into the accounts including those in relation to housing subsidy entitlement and non housing rents.

The Committee noted that, whilst the Use of Resources scores will not be available until December, an improved score for financial reporting was anticipated.

Decision

1. To note the report and to congratulate the officers concerned on the substantial progress made in what is arguably one of the most complex set of group accounts in local government.
2. To extend best wishes to John Guest, Head of Financial Management, on the occasion of his retirement from the Council's service, and to recognise his personal contribution to the tremendous progress made in the preparation and presentation of the council's accounts.

RG/08/47 Neighbourhood Funding Strategy

The Committee considered a report of the Chief Executive summarising the Neighbourhood Funding strategy, the priorities received and outlining the next stages of the process.

The objectives of the scheme were to support the ward representative role of Councillors to influence the whole of budgets through Ward Co-ordination; and to enable neighborhood priorities to be reflected in mainstream budgets and business plans. The Committee was informed that a total of 208 proposals had been submitted and considered by Heads of Service in the following categories – proposals that local service managers using existing resources under their control can implement in this coming year; proposals that need to be considered by the Head of Service with the appropriate Strategic Director to ensure that opportunities to move resources across service areas are fully explored during this year; and proposals where it is not possible to respond positively during the current year and which will be considered as part of the production of the three-year business planning process.

The Committee was informed that the first two phases were complete and Heads of Service had responded to 126 proposals with the remaining 72 being considered within the business planning process.

The report concluded that while it was too early to say how successful the implementation of the strategy had been, early indications suggested that this is a positive step forward in reflecting neighbourhood priorities into mainstream budget processes. A further report would be brought forward to ensure that the lessons of the pilot year are understood and applied to the development of the scheme in future years.

Members emphasised the importance of ward Councillors being kept informed of actions arising out of bids made as part of this process and officers indicated that it was the intention that all members would receive a response on each bid by the end

of October. The Executive member indicated that whilst it was important that members were informed of the outcome of bids that were going forward, it was equally important that they were aware of those issues that could not be delivered on within existing budgets so that these could be pursued in future years.

The Chair emphasized that this first year was a learning period for all involved in the process; members had to get better at translating local priorities into specific ideas and proposals that were capable of being implemented rather than a wish list,

Decision

1. To welcome the actions that have so far been taken.
2. To welcome the opportunity for the Committee's comments on the operation of the Neighbourhood Funding Strategy to be fed into the evaluation of the pilot year.
3. To agree that the Committee will consider proposals to be brought forward later this year for the further development of the Neighbourhood Funding Strategy in future years, to cover the full range of Council Services and partner agencies.

RG/08/48 Business Planning

At its meeting on 4 September 2008, the Committee resolved to vary its approach to the consideration of business plans by undertaking an in depth scrutiny of the Environment Services Business Plan.

To begin this process the Committee received a presentation from the Head of Environment Services outlining current priorities for Environment Services, progress made in delivering service priorities in 2008 and the manner in which outcomes were monitored, and priority issues that were being considered during the renewal of the Environment Services business plan for 2009/10-11/12.

Members then gave consideration to the methodology to be adopted by them in terms of undertaking an in depth scrutiny of the revised draft business planning process in 2009, and whether this should be a whole plan approach or an in depth analysis of significant elements of it. It was agreed that as a first stage the Committee should receive a commentary on the 2009/2010 Business Plan highlighting key changes from the 2008/2009 plan and an explanation of why those changes have occurred.

Decision

To thank the Head of Environment Services for her presentation that has greatly assisted the Committee in establishing priority areas of work for more intensive scrutiny of the draft business plan for 2009/10.

RG/08/49 Information and Overview report

A report of the Chief Executive was submitted providing information about relevant issues affecting the Committee's remit, tracking the implementation of previous decisions and reviewing the forward work programme.

A member challenged the accuracy of the figures in the report regarding Disability Discrimination Act audits across the Council's property portfolio, citing properties in her ward that had already been demolished, and a number where the ward details were incorrect. It was suggested that the schedule should be circulated to all ward coordinators for the purpose of checking the accuracy of the ward details.

Discussion ensued in relation to a paper in relation to extended schools funding and the vision for the provision of extended services in schools by 2010. Members noted the additional funding to be made available to schools for the purpose of delivering the extended services 'offer' but were concerned that there were safeguards to ensure that schools were using these resources for the purposes intended. Officers outlined the governance arrangements that would ensure that the resources were properly used but clarified that the final decision in terms of what services or facilities would be part of the offer would rest with the governing body of each school, and that charges were likely to be levied for the use of facilities out of hours

Decision

1. To note the report.
2. To request that the schedule of Disability Discrimination Act audits across the Council's property portfolio are circulated to all ward coordinators for the purpose of checking the accuracy of the ward details.