

# Resources and Governance Overview and Scrutiny Committee

## Minutes of the meeting held on 21 June 2007

### **Present:**

Councillor Watson – In the Chair

Councillors Andrews, Clayton, Isherwood, Judge, Leech, Morrison, Sandiford, and Trotman.

### **Present by Invitation:**

Councillor Priest, Executive Member for Finance and Human Resources

### **RG/07/3 Urgent Business**

The Chair reported that she had agreed to the report 'Council Tax Collection in Manchester' being submitted for consideration as urgent business.

#### **Decision**

To agree to consider the report as urgent business in order to investigate without delay the reasons for the drop in Council Tax Collection for 2006/7, and how this would be rectified in the future.

### **RG/07/04 Minutes**

#### **Decision**

To approve as a correct record the Minutes of the meeting held on 24 May 2007.

### **RG/07/05 Manchester Partnership**

A report of the Chief Executive was submitted enabling the Committee to comment on the emerging structure of thematic partnerships within the Manchester Partnership.

The Assistant Chief Executive (Performance) briefed the Committee on how the Council was looking for tighter thematic partnerships focused on delivering the Community Strategy. To this end 5 core partnerships had been proposed, which would be responsible for allocation of resources, decisions made with partners and the delivery of the Community Strategy. The relevant Executive Member would sit on each core partnership to ensure the partnership was held to account, and overview and scrutiny committees would, from next year, have the power to scrutinise partners, although partners had volunteered to be subject to scrutiny in the interim.

The Leader of the Council and Chair of the Manchester Board added that the boards would comprise key contributors and would be as small as practicable. Boards would meet on a quarterly basis or more frequently if necessary.

Members' concerns in relation to the report were in terms of: -

- why the report did not include details of board membership,
- how they could best feed in their local knowledge and concerns into the partnership structure,
- where key partnerships such as the Airport and the University fitted into the revised structure.

The Assistant Chief Executive (Performance) responded that final details of board membership had not yet been decided but would be brought before members when agreement of the core partnership proposals had been secured. He added that although the core partnership boards did not include the Airport and University specifically, their specific areas of interest were covered by the transport and knowledge thematic partnerships.

The Leader of the Council added that ward co-ordination and Local Action Partnerships were the key mechanisms for elected member involvement, and the current review of ward co-ordination would address how partners can access and respond to local concerns. Further to this overview and scrutiny committee remits had been realigned to better reflect the distinct thematic partnerships so that members' comments can be fed more directly to partners. There should also be a meeting involving all Councillors covering progress against the strategic regeneration framework on an annual basis.

## **Decision**

[Councillors Clayton, Isherwood, Leech and Sandiford abstaining in respect of Decision 1]

1. To support the direction of travel and the emerging proposals for core partnerships, and to look further at the best means of overview and scrutiny committees interacting with these Boards.
2. To request that the PSB and Manchester Board give further consideration to the wider involvement of Manchester Airport and Manchester University in all relevant aspects of the Partnership
3. To request that a briefing note on the outcome of the review of ward co-ordination be brought to the Committee upon its completion, preferably to the next meeting of this Committee.
4. To request that the report from the public service board to the Manchester Board recommending the structure of subsidiary boards be circulated to all members of the Committee.

## **RG/07/06 Corporate Performance Assessment – Implementation of Improvement Measures**

A Report of the Chief Executive was submitted updating members on the implementation of improvement measures following the Comprehensive Performance Assessment.

The Assistant Chief Executive (Performance) outlined that the report praised the overall level of leadership in the authority but highlighted the need for service improvements to raise Manchester citizens' quality of life against the national average. It was also important that community leadership was cascaded down through the organisation and that the capacity of the Council to achieve its high level vision remained under active review. Furthermore the new business planning process would lead to better financial and risk management and would help the Council improve value for money on a cost per unit basis. The Manchester Improvement Programme was also targeted towards the areas of the Council most in need of improvement.

Members responded to the report as follows: -

- Members commented that it was difficult to scrutinise targets for improvements without more specific information.
- Members requested a progress update from the Human Resources Sub Group – Joint Working Party considering the Manchester Education Partnership Service Improvement Programme later in the year.
- How the necessary step changes would be achieved in terms of raising levels of pupil attainment; equipping school leavers and Manchester residents generally to access the employment possibilities generated by the city's buoyant economy, and reducing the number of unwanted teenage pregnancies, such that the Council could progress to the next ranking under the CPA assessment regime.

The Assistant Chief Executive (Performance) responded that specific time-allocated targets were included in the Corporate Plan and in individual business plans linked to service development and resource allocation within the Community Strategy. It was agreed that Corporate Plan would be circulated to enable members to assess its usefulness as a control document for effective monitoring of targets.

### **Decision**

1. To note the report
2. To request that the Corporate Plan is sent to all members of the Committee.
3. To carry out more detailed scrutiny of individual business plans later in the year to test their effectiveness in addressing services to the delivery of the Community Strategy.

4. To request a progress update from the Human Resources Sub Group – Joint Working Party considering the Manchester Education Partnership Service Improvement Programme later in the year

### **RG/07/07 Benefit Fraud Inspection (BFI) – Inspection of claims processing**

A report of the City Treasurer was submitted updating members on the outcome of the recent inspection of the Benefit Fraud Inspectorate (BFI) including the scope of the inspection, the outcome and recommendations made.

The Head of Benefits and Council Tax summarised that the Council was now processing claims without delays and to a reasonable standard of accuracy.

Members queried whether staff had adjusted to the new technology used by the benefits service and whether any backlogs had been incurred. The City Treasurer advised the Committee that there had been a small inevitable backlog resulting from the 'down time' during the decommissioning of the previous system and the introduction of the new, and also whilst staff familiarised themselves with the operation of the new system, but this work had now been retrieved and the system transfer had been a success.

Members also raised the following issues: -

- The release of the recent local press headline following the release of the BFI report indicating that benefit cheats were not being caught by the City Council,
- Whether the new IT system would make the benefit claims system more efficient,
- Staff recruitment and retention difficulties

The Head of Benefits and Council Tax responded that she had been aware that a press article was being produced, but was not informed of the headline or the slant that the article would take. She had stated to the press that the Council welcomed the findings in the BFI report and the press had adopted their own misleading views on the subject.

She reminded the Committee that the changeover in IT systems had been due to the previous supplier withdrawing from the market, but that the new system would facilitate home working arrangements and involve shorter induction programmes for new starters.

### **Decision**

1. To note the report.
2. To congratulate the service on the speed and accuracy of its claim assessments.

3. To refer the staff related elements of the Action Plan to the Human Resources Sub Group for more detailed scrutiny.

### **RG/07/08 Fraud Investigations within Benefits Administration**

A report of the City Treasurer was submitted updating members on the actions of the Council's Fraud Investigations Group.

Members raised the following matters: -

- How the group decided between issuing an administrative penalty or pursuing prosecution,
- How often the group discovered systematic sustained attempts to fraudulently claim benefits,
- The reasons for the high level of benefit overpayments amongst the 60-69 age bracket.

The Fraud Investigations Manager responded that the decision of the action to be pursued in each case was based on a robust policy which balanced levels of assets against the amount of overpayment and the likely sanction the courts would impose. As the evidence level required was similar for the two penalties, the administrative penalty did not represent a more lenient option. He added that most fraudulent claims were isolated, and that sustained organised campaigns of fraudulent activity were rare.

He further added that the reason for the high level of overpayments amongst the 60-69 group was because many overpayments had been sustained over a long period.

#### **Decision**

1. To note the report

### **RG/07/09 Council Tax Collection in Manchester**

A report of the City Treasurer was submitted updating members on the Council Tax collection levels and explaining the reasons for the drop in collections over the 2006/07 financial year, and what was being done to improve the collection profile.

The City Treasurer outlined that the principal reason behind the reduction was the change in IT systems which resulted in a drop in recovery action over the period Autumn 2005 - Spring 2006. The effects of this had now been evidenced in the statistics, but as the new system was now working effectively the problem had been overcome, and collection was expected to rise next year.

The City Treasurer also commented that whilst Manchester's tax collection was low compared to comparator authorities, its arrears per property was also low. A visit to

the London Borough of Tower Hamlets, which was similar to Manchester in terms of economic profile, was proposed to see what examples of best practice might have beneficial application in Manchester.

Members raised concerns about the economic impact that this would have on the authority. The City Treasurer stated that the impact of the drop in resources would not be great, furthermore there was still a surplus in the collection fund and increased business rate collection would off-set the reduction in council tax collection.

Members also queried the amount of loss to the council through writing-off outstanding debt. The Head of Revenue and Benefits advised the Committee that only the Magistrates' Court could write off debt, but she would bring back annual write off statistics from 2000 to a future meeting of the Committee so that the Committee could see year on year trends.

### **Decision**

1. To welcome the timely report and the actions proposed.
2. To congratulate the Revenue and Benefits service on the low figure for arrears per property.
3. To reconsider council tax collection at the end of year to monitor the forecast improvements
4. To request that the annual write off statistics from 2000 be produced for the Committee.

### **RG/07/10 Key Decision Summary Report**

The Committee considered a report of the City Treasurer informing the Committee of forthcoming key decisions in relation to corporate procurement contracts in respect of which it might be necessary to exempt decisions from the call-in process.

### **Decision**

To support decisions by the Chair to exempt any of the key decisions detailed in the report from the call-in process, subject to the Committee subsequently having opportunity to consider reports on any of the decisions, if so requested, especially those decisions involving projected savings so that the Committee can be satisfied that those savings are actually being realised.

### **RG/07/11 Work Programme**

### **Decision**

The Committee noted the timetabling of the work programme items identified at the last meeting.

## **RG/07/12 Information and Scanning Report**

### **Decision**

The Committee requested briefing notes in respect of items 3, 6, 7, 14, 16 and 21 in the Information and Scanning Report.