

Resources and Governance Overview and Scrutiny Committee

Minutes of the meeting held on 4th September 2008

Present:

Councillor Watson – In the Chair.
Councillors Clayton, Hitchen, Jones, Morrison, P. Murphy, Smith and Trotman.

Present by Invitation:

Councillor Priest, Executive Member for Finance and Human Resources
Councillor Stevens, Deputy Leader.

Unable to be present: Councillors Bhatti, Glover, M. Khan and Brian O'Neil.

RG/08/44 Minutes

Decision

To approve the minutes of the meeting held on 22nd July 2008 as a correct record.

RG/08/45 Review of Area Based Grant

A progress report of the Deputy Chief Executive and City Treasurer was submitted in relation to the review of Area Based Grant.

The report outlined the flexibilities created under the Comprehensive Spending Review 2007 for local authorities to promote devolution to the local level. These flexibilities related to both funding and performance targets. In terms of funding, the objective was one of reducing the number of specific grants paid to local authorities by mainstreaming them into the Revenue Support Grant (RSG) where possible and where this is not possible by rolling them into a new pooled Area-Based Grant (ABG). Whilst in principle this gave the city greater flexibility to manage financial pressures and focus funding on local priorities, it effectively brought together a legacy of grants that were already fully committed to existing services and the scope for flexibility was therefore limited. However, the development of the ABG and the un-ring fencing of grants by Government provided an opportunity to move towards a new way of working, increasing the amount of commissioned work, prioritising the allocation of discretionary resources and implementing clear management practices to ensure that the new LAA delivers maximum benefit against Manchester's LAA targets, supports innovation, as well as looking at the schemes and initiatives that have been effective in delivering the objectives to date.

The Committee noted that a thorough review of current spend against all of the ABG resources was being carried out during the transitional year with the aim of gaining a

more in-depth corporate level understanding of what activities the Area Based Grant is resourcing and seeking ways to better align them with the Community Strategy priorities and LAA targets; encouraging Heads of Service to consider the resources they receive, both mainstream and discretionary grant, in the round rather than as separate pots of funding to support specific activities, and creating headroom across the ABG Programme which can then be re-invested in Community Strategy priorities. A final report from the review was expected in October and officers sanctioned caution in terms of the expectation of the degree of headroom flexibility that was likely to be identified in the first year.

From a governance perspective the Committee sought to establish where ultimate responsibility for decision making about ABG priorities would be taken, and the role of partner organisations in those decisions. The City Treasurer confirmed that whilst partners would be consulted in the usual way decisions about Area Based Grant were the responsibility of the City Council as part of the annual budget process.

Decision

To note the report and to look forward to receiving a report on the outcome of the current review in due course.

RG/08/46 Local Area Agreement: commissioning

A report of the Director of Adult Social Care was submitted informing members of the work that is being undertaken to develop a Manchester Model of effective commissioning to support achievement of Local Area Agreement targets and thus delivery of key elements of the community strategy.

The Committee was informed that as part of the drive towards better partnership delivery the Local Area Agreement a more effective and innovative commissioning process will be put in place, bringing benefits to partnership members, suppliers of services and customers with the wider intention of creating a Manchester model of commissioning. The Committee heard how this work was being taken forward as a multi-agency project led by the Director, as part of which the first joint strategic needs assessment for Manchester has already been undertaken to provide a solid foundation on which to base health and social care commissioning.

A range of examples were rehearsed before the Committee showing innovative models of commissioning, including the extent of existing commissioning by individuals tailored to their specific needs. The Committee also heard from Debbie Nixon (NHS Manchester) about world class commissioning within the NHS.

The Committee recognised that commissioning was an important tool to support delivery of the Local Area Agreement and to support best use of resources and was mainstream activity for a number of departments and the Primary Care Trust. Whilst each had its own approach, there were some common aspects of the process applicable to all and the project underway would enable a Manchester Model and compendium of approaches to be designed to enable commissioners to apply the

best approach to achieve better outcomes and identify how to improve use of resources. Members indicated that it would assist their understanding of the processes involved if future reports contained more worked examples that exemplified not only the efficient use of resources and the contribution that commissioning was making towards the achievement of LAA targets but also the positive outcomes for individual service users.

Turning to the work being done with partners to define common definitions towards the development of a Manchester model for commissioning, members considered that this would be a further means of improving their knowledge and understanding of the processes involved; the financial and other advantages that can be realised from commissioning processes, and the way that commissioning can contribute to the achievement of the objectives of the Community Strategy and other key Council policies, and officers were asked to report the outcome of this work to a future meeting

Decision

1. To note the progress made to develop the model and the potential impact on supporting a more effective and innovative approach to service delivery across the Manchester Partnership.
2. To request the officers to report the outcome of this work to a future meeting

RG/08/47 Budget 2009/10

A report of the City Treasurer was submitted outlining the budget timetable for the forthcoming budget round to enable the committee to consider the arrangements for the scrutiny of the budget.

Members highlighted the importance of timely interventions in the process so that the input of scrutiny could be influential and contributory to the development of budget strategies and hold to account those charged with responsibility for their development.

The importance of business planning within the process was recognised and the Committee accepted that it was not possible to effectively scrutinise these plans across the piece and that it should focus on one plan in detail early in the new year. Following discussion it was agreed that the Environmental Services Business Plan should be the subject of in depth scrutiny.

The Executive Member for Finance and Human Resources suggested that it might assist the Committee as part of the process to scrutinise the current years budget against LAA performance outcomes as a means of identifying areas where better outcomes could be achieved through realignment of resources. This was accepted as a useful approach but members felt that it would be more effective when a full years performance against LAA targets was available to enable a realistic assessment to be made between the use of resources and known outcomes.

Decision

1. To request that the Environmental Services Business Plan is brought before the Committee early in 2009 so that this can be subject to in depth scrutiny against budget and performance outcomes from the current year's budget.
2. To request the City Treasurer to consider means of securing optimum public engagement in consultation on the 2009/2010 budget proposals, including greater use of the ward coordination process as a means of engaging local community groups in the process and improving the budget focus on local issues.
3. To request the City Treasurer to present a summary report to a future meeting on the implementation of the Neighbourhood Funding Strategy across Council services.

RG/08/48 Quarterly Performance monitoring

A report of the Chief Executive was submitted monitoring performance against the Community Strategy and Local Area Agreement for 2008. The report related to the position as at 30th June and officers indicated that issues raised were already being addressed within the authority and with partners. In particular officers were exploring the scope for on-going reporting of progress against a number of targets described as 'annual'.

Members focussed on the importance of information 'capture' in terms of ensuring that the overall position was not skewed, or, if so, that the performance statistics were clearly qualified. By way of example members focussed on the outcomes involving Manchester schools and the fact that in some wards, and especially those that did not have a secondary school, the achievements of pupils taught in extra district or independent sector schools would not be captured and the overall position would not therefore be fully representational. The officers accepted this but indicated that the format for the reporting of information against targets was prescribed by government, however, the suggestion that the performance information was qualified to give a truer understanding of the real position was accepted and officers indicated that the Director of Children's Services was already doing work to ensure that a city wide picture of school attainment was assembled capturing the outcomes for all Manchester schoolchildren.

Members also challenged the scope for achievement of the 60% target for owner occupation in the city by 2015 given the credit crunch and the downturn in the house building industry, and invited the officers to consider whether this target should be reduced. Officers indicated that whilst sectors of the housing market were facing difficulties the achievement of 6% movement towards this target from the 2001 census position suggested that, whilst challenging, the target remained a valid aspirational goal. Officers outlined the limited process that existed for reviewing targets and the Chair asked for a brief report on that process to a future meeting.

Members highlighted a number of targets where the baseline and target information needed clarification and officers agreed to report back on these through the information and monitoring report.

Referring to Target N15 a member quoted estimates of 2 million unemployed by Christmas 2008 and asked how officers envisaged this would be reflected in the city. Officers reported that research was being commissioned to assess the likely impact of increased unemployment in different sectors in the conurbation.

Members also highlighted the continuing high numbers of looked after children and the deteriorating performance in the timeliness of their placement for adoption. The Committee was advised that the Children and Young People's Overview and Scrutiny would be reviewing this in January 2009 and that the Strategic Management Team was also addressing the issues.

Decision

To note the progress being made towards the achievement of the majority of targets and the action being taken in relation to areas of concern.

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.

Members discussed the report requested on the Manchester Stadium and clarified for the City Treasurer that report to be submitted to the October meeting should be an overview of the funding structure for the Stadium and Sports City which identified where governance responsibilities rested for the various elements of the complex. The Committee could then identify individual elements for more in depth scrutiny. A suggestion that the report should also address undeveloped parts of the Sports City site was not supported.

Decision

To note the report.