

Resources and Governance Overview and Scrutiny Committee

Minutes of the meeting held on 8th January 2009

Present:

Councillor Watson – In the Chair.

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

Present by Invitation:

Councillor Priest, Executive Member for Finance and Human Resources

Councillor Cowell, Executive Member for Environment

Councillor Amesbury, Executive Member for Arts and Leisure

Unable to Attend:

Councillors Glover, Hitchen and Brian O'Neil

RG/09/01 Urgent Business

The Chair informed the Committee that she had consented to the items 'Legal Services' and 'Points4Life' being considered as urgent business.

Decision

1. To agree to the item on Points4Life being considered as urgent business so that the Committee is able to comment on the report ahead of its consideration by the Executive on 14 January.
2. To decide not to accept the item 'Legal Services' as urgent business.

RG/09/02 Minutes

The minutes of the meeting of 11 December 2008 were submitted.

Decision

To approve the minutes of the meeting held on 11th December 2008 subject to the following amendment to the final paragraph of the preamble of minute RG/08/58: -

that the sentence reading 'A motion to refer the Executive's decision to the full Council was not carried' be amended to read 'a motion to refer the Executive's decision to the full Council was not carried, this motion was defeated on the casting vote of the Chair.'

RG/09/03 Information and Overview Report

A report of the City Solicitor was submitted including the Committee's forward work programme.

Decision

1. To note the report
2. To note that Councillor Jones would act as a substitute for Councillor Sandiford for the meeting of the Human Resources Sub Group on 13 January 2009.

RG/09/04 Business Planning 2009

A report of the Chief Executive and City Treasurer was submitted outlining the business planning process and suggested questions that had been agreed as good practice by the Overview and Scrutiny Co-ordinating Group.

Trading Services

The Director of Commercial Services introduced the Draft Trading Services Business Plan covering the financial years 2009/10 to 2011/12.

Members asked what effect the economic downturn was having on Trading Services and whether it had been addressed in the Business Plan. The Director of Commercial Services responded that most of the traded services, for example waste disposal services, were essential and therefore able to resist the effects of the downturn. Manchester Markets did rely heavily on demand for traders' goods, but as the economy had started to slow down many people had moved from shopping on high streets to shopping in markets to search out lower prices.

Members referred to proposed efficiency savings including the proposal to close the Town Hall at night. Members noted that following discussion at the Communities and Neighbourhoods Overview and Scrutiny Committee meeting on 6 January 2009 this proposal was no longer being considered. It was noted that there had been incidents of theft and harassment in the Town Hall, and that proposed improvements to security and visitors' experiences would aim to address this.

Members noted the ambitious objective of attempting to reduce the average number of sick days per employee by five days by 2011. The Head of Partnerships and Investment advised that training was being spread out to employees to bring about this change amongst the trading services workforce.

Members praised the content of the business plan and the financial performance of the Trading Services section. Members questioned whether external agencies could be employed to further improve performance, for example in the community transport service. The Director of Commercial Services commented that this was a

challenging area to manage because of the unpredictable demand for home to school transport and 'meals on wheels' services. Staffing work patterns were being addressed to make the services more efficient.

Members asked when a full assessment would be made of the level of bad debt affecting the Trading Services section. The Director of Commercial Services commented that large levels of bad debt were not predicted. Members noted the possibility of increased budget pressure if the section was to include write offs from City Works within its budget. Members asked for information outlining proposals to write off debt in relation to City Works to be provided to the Committee.

Decision

1. To note the contents of the draft business plan.
2. To request information outlining proposals to write off debt in relation to City Works to be provided to the Committee.

Planning and Building Control

The Head of Planning introduced the draft Business Plan for the Planning and Building Control section.

He summarised the ambitions of the service over the three-year period ahead and highlighted the importance being placed on improving customer services, developing a robust performance management framework for the section, and creating a people strategy to support the workforce to achieve the service's objectives.

He also highlighted that £220,000 in efficiency savings would be achieved in 2009/10 and in 2010/11. This would be achieved by bringing landscape advise services within the section, introducing management fees for Section 106 agreements and reviewing vacant staffing posts and only filling key positions.

Members noted the flexibility within the planning section, and the practice of moving staff into different area-based teams depending on which areas of the city were receiving the highest numbers of planning applications.

Members noted that the Business Plan Risk Register included the risk of the planning enforcement team lacking visibility. The Executive Member for Environment commented that members of the Communities and Neighbourhoods Overview and Scrutiny Committee as well as members of the Planning and Highways Committee had attended a tour of sites across the city where planning enforcement had taken place. As well as demonstrating the effectiveness of the system to Ward Councillors, members added that it was important to demonstrate its effectiveness to residents and developers.

Members noted that the Business Plan did not include funds raised through Section 106 agreements and asked for further detail on the operation and effect of these agreements. The Head of Planning advised the Committee that higher numbers of

Section 106 agreements were being negotiated and that revisions to the process of administering these agreements were being made, including the introduction of administrative and management fees. Members commented that the Business Plans should include reference to the financial impact of Section 106 agreements in future years. Members also requested that details of the revisions to Section 106 agreements should be submitted to the Committee in May.

Members also referred to the Building Control Standards and noted that performance was a long way short of the target in relation to the indicator for 'Plan checking response to applicant/agent within 15 working days of receipt.' Officers responded that improvements had been achieved in this area over the past two years but that further improvements were necessary to meet the target. Customer satisfaction with the service, as evidenced in the recent customer survey, revealed high levels of satisfaction across a range of criteria.

Decision

1. To note the contents of the draft business plan
2. To request that a report providing details of the revisions to Section 106 agreements be submitted to the Committee in May.

Environmental Services

The draft business plan of the Environmental Services section, covering the years 2009/10 to 2011/12, was submitted.

The Committee had followed the production of this business plan through earlier stages to investigate the processes in place to develop rigorous business plans that can be relied upon to support the achievement of the Council's objectives.

Members noted that performance was below Manchester's ambitions in relation to emission of carbon dioxide and recycling rates, and questioned how the Council would address this over the three-year period ahead. The Head of Environmental Services highlighted that a report setting in place the city's aims and ambitions in relation to climate change, and how they would be achieved, would be submitted to the next meeting of the Executive. The Executive Member for Environment described the past year as a period of planning for change, which had involved a substantial recycling consultation and the creation of significant proposals to address climate change in Manchester. The city was demonstrating leadership in these areas and the work carried out would pave the way for greater success in the future.

Members also questioned how the service would respond to the economic downturn, and in particular the reduction in demand for wastepaper. The Head of Environmental Services responded that there may be some reduction in income but most contracts for wastepaper collection were negotiated to cover long periods and so a large reduction would not occur.

Councillor Clayton asked if there was any pressure to build an incinerator on Palatine Road because of the effect of the economic downturn on demand for recycled goods. The Head of Environmental Services advised that there were no proposals to do so. The Executive Member for Environment stated that Councillor Clayton had asked this question on multiple occasions in the recent past and had received the same response. It was requested by the Executive Member for Finance and Human Resources and Councillor Clayton that this be recorded in the minutes of the meeting.

The Chair of the Committee thanked the Head of Environmental Services for her support of the Committee's investigation into business planning processes and asked her what benefits the process has in enabling the Council's managers to better manage their services. She responded that the key benefits included demonstrating the services aims and activities to elected members, and demonstrating to front line staff how their work supports the overall key objectives of the Council as set out in the Corporate Plan.

Decision

To note the business plan and to note the effect the Committee's investigation into business planning processes has had on carrying out effective scrutiny of business plans.

Financial Management

The draft business plan of the Financial Management section, covering the years 2009/10 to 2011/12, was submitted.

The Head of Financial Management outlined the service priorities for the three year period ahead, these included improving the standard of the support service delivered, improving the Council's score for 'Use of Resources' under the Audit Commission's Comprehensive Area Assessment, and maximising the benefit of the SAP software system. The workforce development plan would play a key role in supporting staff within the section to deliver improved financial support.

Members noted that a new shared service centre had been opened on December 17th including a range of exchequer services for the Council. Members questioned whether it would be beneficial to consider investigating whether the shared service could be widened to include partners or other Greater Manchester local authorities. The Head of Financial Management added that there was no reason why this could not be considered in the future, however the first priority was to ensure that these processes are operating efficiently and effectively within the Council.

Decision

To support the contents of the business plans and the ambitions to improve the Council's use of resources and annual accounts processes.

RG/09/05 Points4Life: Management and Governance Arrangements

A report of the Acting Deputy Chief Executive (Performance) was submitted advising the Committee of the recent award of £4.6 million from the Department of Health to launch points4life. This initiative would aim to motivate people to adopt healthy lifestyles. The report would be submitted to the Executive on 14 January 2009 suggesting that a company limited by guarantee be set up to procure and oversee the points4life initiative.

The Acting Deputy Chief Executive (Performance) advised members of the Committee that robust governance arrangements would be required between the company, the Council and NHS Manchester to safeguard public funds. So that the new board of the company would be able to perform this role it was necessary that people with the right professional, legal and financial skills were appointed.

Members noted that while it was anticipated that the company would be formed immediately on Executive approval, the process of procuring delivery partners meant that the initiative would be available to the public in early 2010.

The Chair of the Committee reinforced the need for strong governance arrangements, and stressed the need to ensure transparency in the company's operation. The Committee noted that its activities would be regularly reported through the Manchester Partnership, and that this Committee or the Health and Wellbeing Overview and Scrutiny Committee could request reports on the operation of the company at any point. Members agreed that the Committee should receive a report on its operation after it had been established for a year.

Members questioned how much of the award would be spent on administrative or operational costs setting up the points4life scheme and how much would be spent on implementing it. The Assistant Director of the Joint Health Unit responded that it was too early to give indicative figures, but that in the longer term the business model suggested that implementation should be self-funding.

A motion was moved that the company should include between five and seven Non-Executive Directors including three Councillors appointed by the Constitution and Nomination Committee according to the principles of political balance. This motion was defeated on the casting vote of the Chair.

Members discussed the company board membership and considered that a Non-Executive member of the Council should be appointed to the board, and that that member should be a member of the Health and Wellbeing Overview and Scrutiny Committee.

Decision

1. To note the report and the potential of the initiative to bring about excellent outcomes for the health of the city.
2. To reinforce the need for strong governance arrangements between the company, the Council and NHS Manchester.
3. To recommend to the Executive that one of the Non-Executive Directors appointed should be a member of Health and Wellbeing Overview and Scrutiny Committee.
4. To return to look at the operation of the company after it has been set up for 12 months.