
MEETING	EFFECTIVE ORGANISATION OVERVIEW & SCRUTINY COMMITTEE
DATE	24 NOVEMBER 2009
PRESENT	COUNCILLORS WATT (CHAIR), HORTON (VICE-CHAIR), FIRTH, BOYCE, GUNNELL, HYMAN, R WATSON (ITEMS 14-20) AND TAYLOR (SUBSTITUTE FOR CLLR D'AGORNE)
APOLOGIES	COUNCILLOR D'AGORNE

14. DECLARATIONS OF INTEREST

At this point in the meeting, Members were asked to declare any personal or prejudicial interests they may have in the business on the agenda. None were declared.

15. MINUTES

RESOLVED: That the minutes of the meeting of the committee held on 30 September 2009 be approved and signed as a correct record by the Chair.

16. PUBLIC PARTICIPATION

It was reported that there had been no registrations to speak under the Council's Public Participation Scheme.

17. WORK PLAN

Consideration was given to the committee work plan for 2009-10.

It was noted that the Executive Leader and the Executive Member for Corporate Services had requested that they received advance notification of the questions that the committee wished to put to them prior to their attendance at a meeting. The committee agreed that it would be useful for the Leader and Executive Member to attend the January meeting to outline their plans and priorities for the next twelve months, as well as addressing more specific questions.

Members were informed that the Green Travel Plan for staff had been held in abeyance pending a decision being made in respect of the new council headquarters. Members reiterated their request that information be provided to the Committee on the costs of offering free Park and Ride passes to council employees and requested that this be included in the work plan.

RESOLVED: (i) That the work plan be updated to reflect the agreed amendments.

- (ii) That Members notify the Scrutiny Officer of questions for the Executive Leader and the Executive Member for Corporate Services.

REASON: To ensure that a robust and relevant work plan is in place for the municipal year.

18. SECOND PERFORMANCE AND FINANCIAL MONITOR FOR 2009/10

Members received a report that provided details of the headline performance issues from the second performance monitor of 2009/10 covering the period from 1 April to 30 September 2009. The report updated on finance, performance and key projects and priorities.

Discussion took place regarding the level of detail that the Committee would wish to receive when information was presented to them. It was agreed that it would be beneficial for a training session to be arranged in order that Members could gain a greater understanding of how they could utilise the information in carrying out their role.

Officers went through the key issues in the report and highlighted areas where there was significant variance. Attention was drawn to financial pressures amounting to £1,842k that needed to be managed by directorates in order to contain overall spending within budget by the end of the financial year. The savings required to contain the pressures equated to a reduction of 1.5% of net budget for each directorate. The committee was pleased to note that, following the concerns that they had raised regarding the overspend in fostering costs for looked after children, the Learning and Culture Overview and Scrutiny Committee would be receiving a presentation on this issue. The presentation would include an analysis of the current overspend.

Discussion took place regarding the impact of the present economic situation on revenue and expenditure. Members were concerned to note that should the current level of spend continue it would take the council well below the recommended minimum threshold for revenue reserves. They questioned officers as to how long it would take to recoup the reserves. Officers explained that historically the council was an underspending authority and the underspend had passed into reserves. Medium-term financial planning was a key issue, particularly in the context of the likely outcome of the next spending review and the decisions on levels of public spending.

Members commented on the implications for staff when posts were frozen and training budgets reduced. It was agreed that it would be helpful for the Committee to receive a presentation on the "More for York" project and to receive a summary of the comments on the accommodation move and details of the staff survey.

Consideration was given to the data on performance indicators. Members' attention was drawn to indicators where performance was deemed to be an exception (e.g. good improvement or possible areas of concern).

- RESOLVED: (i) That the performance issues identified in the report be noted.
- (ii) That the finance issues identified in the report be noted, including the following:
- The significant pressures arising due to the economic recession and social care costs that are still evident across the council.
 - The work already undertaken within directorates to contain financial pressures.
 - The ongoing work to identify and implement options to meet the 1.5% savings targets required to contain spending within budget by the end of the financial year.
 - The longer term need for growth in some budgets, which will require compensating efficiencies and service transformation across the council.
- (iii) That a training session be arranged for the Committee on utilising the performance and financial monitoring data.

- REASONS: (i) To ensure that the council's expenditure can be contained within budget.
- (ii) To assist the Committee in utilising the data presented to them.

19. PRESENTATION - RISK MANAGEMENT PROCEDURE.

A presentation was given on the Council's Risk Management Procedure. The presentation covered the following issues:

- The risk management framework
- Benefits and requirements
- Application of risk management
- Identification and reporting cycle
- Key corporate risks
- The role of the Audit and Governance Committee
- The Risk Matrix
- Evaluation of risk
- Training and support available for Members and officers
- A demonstration of Magique - the on-line risk register

Members noted that the annual CPA rating for risk management had been "2" for each year from 2005-2008 but that the CAA rating for 2009 was "3". Members welcomed the improvement that had been made and the efforts that were taking place to seek to attain a "4" rating.

It was noted that Councillor Holvey was the nominated Risk Management Champion and his role was outlined to Members.

Discussion took place as to whether Members considered that the committee should carry out a scrutiny review into risk management. Although it was acknowledged that risks could not be eliminated entirely, concerns were expressed as to whether everything possible was being done to reduce them. Members were also concerned that the on-line register may not be being used effectively and that more needed to be done to ensure that it was fully embedded. It was noted that an update of the software was due next year.

Details were given of the monitoring carried out by the Audit and Governance Committee in respect of risk management, including the reporting arrangements that were in place. Members agreed on the importance of avoiding duplicating work that the Audit and Governance Committee were already carrying out.

RESOLVED: That a scrutiny review on risk management not be carried out by the Effective Organisation Overview & Scrutiny Committee at this time; but that the Committee's concerns regarding the need to ensure that the on-line register is fully embedded throughout the organisation be brought to the attention of the Audit and Governance Committee with a request that this matter be kept under review as part of their ongoing monitoring¹.

REASON: To ensure effective monitoring of risk management.

Action Required

1. Refer resolution to the Audit & Governance Committee MC

20. SCOPING REPORT - EFFECTIVE USE OF THE EXECUTIVE FORWARD PLAN.

Members received a report that presented information on the legislative and constitutional requirements associated with an Executive Forward Plan. The report highlighted those requirements that were not currently being met and suggested issues for further consideration as part of the review.

Consideration was given to a number of issues with the current Forward Plan and the ways in which these could be addressed to ensure legislative and constitutional requirements were met.

Discussion took place as to whether it would be appropriate to include only key decisions in the Forward Plan. It was noted that should this change be recommended as a result of the review, additional recommendations would be required regarding how information on forthcoming non-key decisions should continue to be made available to Members and the public, in order to ensure the same level of transparency and opportunity for participation in decision-making. It was agreed that it would be beneficial to seek the views of officers, including directors, forward plan contacts and the acting monitoring officer, regarding possible changes to the content and format of the Forward Plan.

- RESOLVED: (i) That Members endorsed officers' implementation of the following changes to the Council's current working practices to ensure that they are in line with legislation:
- To carry out the annual publication of its statement of intent.
 - To change the period covered by the Forward Plan to bring it in line with legislation, as detailed in paragraph 11 of the report.
- (ii) That it be recommended that the Forward Plan be produced on a monthly rather than a fortnightly basis and that consultation take place with Group Leaders regarding this matter.
- (iii) That the review focus on the following issues:
- Whether the Forward Plan should be limited to key decisions only, and possible alternative methods of identifying non-key decisions if necessary.
 - Methods for addressing the issue of late submission of Forward Plan items.
 - Alternative format and content for the printed plan.
- (iv) That a task group comprising of the Chair, Vice-Chair and Councillor Firth be established to progress the review of the Forward Plan by seeking the views of officers and looking at examples of Forward Plans from other local authorities.

- REASONS: (i) To ensure that the publication of the Forward Plan is in accordance with legislative requirements and the Council's Constitution.
- (ii) To ensure better use of resources and to support the correct use of the Forward Plan in line with the regulations.
- (iii) To progress the review of the effective use of the Forward Plan.

Cllr Watt, Chair

[The meeting started at 5.00 pm and finished at 7.05 pm].