
OVERVIEW AND SCRUTINY BOARD

A meeting of the Overview and Scrutiny Board was held on 28 February 2006.

PRESENT: Councillor Carr (Chair), Councillors Cole, Dryden, McTigue, Mawston, Rogers, Rooney, T Ward and Wilson.

OFFICIALS: J Bennington, P Clark, A Crawford, V Flynn, J Ord, K E Robinson, P Slocombe and E Williamson.

**** PRESENT BY INVITATION:** Audit Commission:
L Hunt (Audit Manager), S Nicklin (Relationship Manager) and L Watson (Area Performance Lead)

Councillor N J Walker (Executive Member for Resources).

**** AN APOLOGY FOR ABSENCE** was submitted on behalf of Councillor Booth.

**** DECLARATIONS OF INTEREST**

No declarations of interest were made at this point of the meeting.

**** MINUTES**

The minutes of the meeting of the Overview and Scrutiny Board held on 31 January 2006 were submitted and approved.

AUDIT COMMISSION – AUDIT AND INSPECTION LETTER 2004/2005

The representatives from the Audit Commission presented the annual audit and inspection letter, which summarised the conclusions and significant issues that had arisen from recent audit and inspection work at Middlesbrough Council.

The 2004/2005 audit and inspection letter highlighted that under the Corporate Performance Assessment (CPA) framework, Middlesbrough Council had been assessed as a Council that was improving well and had demonstrated a four-star overall performance. It was noted that since 2002 the Council had built on its existing strengths and made changes to address its weaknesses, with particular improvements in prioritisation, focus and investment.

For the first time in 2005, a resources assessment had been carried out which was a new judgement, which focussed on how financial management supported the Council priorities, and delivered value for money. Overall the Council had scored three out of four, which reflected a performance that was consistently above the minimum requirements.

The particular strengths of the Council were seen as its willingness to innovative and take difficult decisions and had shown to have positive Member engagement in financial management.

It was noted that the Council had recognised that there remained a need for improvement in some areas identified in the report as follows: -

- implement proposed new corporate standards for customer charters and service promises;
- renegotiate key performance indicators for Service Middlesbrough, focussing on service quality and continuous improvement and also improve strategic direction within the partnership and increase the level of member involvement and engagement;
- reinstate collection fund balances and improve collection rates for NNDR and Council tax;
- improve delivery of the project plan for the annual accounts;

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- deliver action plans set out in the Statement on Internal Control;
 - review internal audit provision.

The CPA judgements had been made using the revised methodology termed the 'harder test' which was a more stringent test with further emphasis on outcomes for local people and value for money. The highest score was 4, which had been shown in respect of Culture, which had been reflected in similar areas across the North East.

A new dimension had been added, a Direction of Travel judgement that measured how well the Council was improving.

Members welcomed the positive comments and results in the Audit Commission's report and sought clarification on a number of areas including: -

- a) the basis upon which the CPA score had been calculated in respect of the housing element which in future would be increasingly based on PI information;
- b) confirmation was given of current indications that improvements had been made in respect of council tax and NNDR collection rates from the lowest quartile position;
- c) it was confirmed that in respect of (b) above discussions had taken place to ensure appropriate measures were in place to improve the collection process with specific regard to discounts and exemptions;
- d) in terms of the action plan identified specific mention was made of the efforts by the Council and Service Middlesbrough to develop more strategic direction and seek improvements;
- e) the Executive Member for Resources confirmed that following the appointment of a new HBS Regional Director consideration was being given to the appropriateness and effectiveness of the Partnership Board arrangements;
- f) in terms of the internal audit function the problems relating to recruitment and retention as previously identified were reiterated and confirmation given of current investigations on options to secure improvements.

ORDERED that the representatives of the Audit Commission be thanked for the information provided.

STRATEGIC PLAN 2006/2007 TO 2009/2010 – CONTENT – TIMESCALE

The Corporate Performance Manager submitted a report regarding the proposal to produce a three-year Strategic Plan that incorporated the requirements of the following plans: -

- Best Value Performance Plan
- Corporate Performance Plan
- the Medium Term Financial Plan.

It was intended that the Strategic Plan would incorporate the Council's statutory requirements in relation to the production of a Best Value Performance Plan and would also include local requirement to strengthen the alignment between performance and budget planning.

It was proposed to structure the Strategic Plan in three parts: -

- Part 1 - background, local context and the medium term vision;
- Part 11 - Council Performance and Action for 2006/07
- Part 111 - detailed performance and budget information.

Details of the proposed content for each Part of the Plan was shown in Appendix A of the report submitted. Appendix B of the report outlined the proposed timescale for the production of the

Strategic Plan, which identified the dates for consideration of the Plan by the Board and respective Scrutiny Panels.

ORDERED that the proposal to produce a three-year Strategic Plan be supported.

REVENUE BUDGET 2006/2007

The Director of Resources submitted a report, which provided an update in respect of the 2006/2007 Local Government Finance Settlement and set out the recommended Revenue Budget for 2006/2007.

The Council's Revenue Budget had been prepared in accordance with the budget strategy agreed by the Executive (6 December 2005) which included the need for Services to meet the requirements of Gershon, together with the Value For Money criteria associated with the Audit Commission's CPA requirements.

A further report had been submitted to the Executive (20 December 2005) which set out the implications of the Provisional Revenue Support Grant and indicated that based on the agreed Budget Strategy of the Council and the proposed allocation of Central Government Support that the shortfall in available resources had been revised to £2.3m.

Details were provided in Appendix A of the report submitted of the proposals for efficiency savings by Services in the sum of £1,459,000 which were not considered to be reductions in service. In addition to service efficiency savings identified for 2006/2007 a number of additional areas for potential future savings had been identified as part of the budget setting process.

Specific reference was made to Appendix B of the report submitted which summarised the areas for further consideration, which would be the subject of full consultation as part of the appraisal process.

A summary was given of the variances, which had been identified following a review of the Medium Term Financial plan. The potential impact of the identified pressures over the medium term was currently being examined. Specific reference was made to further work to be undertaken between Social Care and Strategic Resources as to the potential impact on the Council and future options for service delivery that considered the Council's Commissioning role. The impact of the introduction of the Dedicated Schools grant, which had placed significant pressures on the LEA, which had reduced flexibility, was the subject of further analysis.

Details were provided as set out in Appendix C of the report submitted which outlined the amendments to the draft 2006/2007 Revenue Budget as £114,458m as approved by the Executive at its meeting held on 14 February 2006.

NOTED

EXECUTIVE FEEDBACK – DEVELOPING LEARNING DISABILITY SERVICES

As part of the scrutiny process and in a report of the Executive Manager it was reported that the Executive had considered the Board's findings on the Final Report of the investigation into developing learning disability services.

The Executive had considered and supported the responses of the Service and the Corporate Management Team and had also agreed the proposed Action Plans.

NOTED

ACUTE SERVICES REVIEW – FINAL REPORT - JOINT SECTION 7 CONSULTATION COMMITTEE

The Chair of the Joint Section 7 Consultation Committee (Acute Services Review) presented the findings of the Committee's investigation of the NHS's Acute Services proposals following a review by Prof. Sir Ara Darzi.

Details were provided of the statutory process and confirmation given that a formal response to the Joint Scrutiny Committee's report was awaited from the local NHS by 8 March 2006 which would subsequently be considered by the Joint Scrutiny Committee.

Members' attention was drawn to the following recommendations of the Joint Committee: -

- i) The Joint Scrutiny Committee recommends to the NHS Joint Committee that it agrees to implement the proposals as consulted upon, pertaining to:
 - a) Gynaecology;
 - b) Breast surgery;
 - c) the concentration of elective orthopaedics at UHH;
 - d) the establishment of a major trauma and emergency surgery facility at UHNT;
 - e) the increased use of the Friarage for orthopaedics.
- ii) The Joint Scrutiny Committee recommends to the NHS Joint Committee that it does not implement the proposals as consulted upon, pertaining to:
 - a) the establishment of a Tees wide upper gastro intestinal service at UHNT;
 - b) the establishment of a vascular network with JCUH;
 - c) Maternity services;
 - d) Paediatric services.
- iii) The Joint Scrutiny Committee does not believe the proposals at (ii) above to be in the interests of local health services and the people the Joint Scrutiny Committee represents.
- iv) As a result of this, if the NHS Joint Committee accepts any of the proposals above from (ii) (a) to (d), the Joint Scrutiny Committee will refer the disputed matter to the Secretary of State for Health for determination under powers granted to it.

In commenting on the overall process specific mention was made of the complexities of undertaking such a review and the wide range of evidence which had been compiled culminating in a series of consensus views which formed the basis of the conclusions and recommendations of the final report.

ORDERED that the findings and recommendations of the Joint Section 7 Consultation Committee (Acute Services Review) be endorsed.

PRIMARY EDUCATION REVIEWS – FINAL REPORT

The Chair of the Children and Learning Scrutiny Panel presented the findings of the Panel's investigation into the process of how reviews of primary education provision was undertaken.

The Board considered the following recommendations of the Panel: -

1. That all documentation published in relation to primary education reviews is examined to ensure that:
 - a) all aspects of the process are explicit and clear;
 - b) all interested parties are aware of how they can influence the process and how representations are dealt with particularly that representations can be made in support of proposals and not just in opposition;
 - c) any preferred options are transparent, balanced and present a reasoned case;
 - d) it is clear to all parties, including governing bodies, that they must provide any comments in writing in order for them to be taken into account.

2. That it is ensured that participants in the review process are clearly advised that comments, views or objections made at the informal consultation stage of the process need to be re-affirmed if they are to be also considered at the formal consultation stage.
3. That timescales for reviews should be identified where possible.
4. That mechanisms continue to be developed and strengthened to maximise the benefits of inter-departmental and inter-agency working in relation to primary reviews.
5. That all schools potentially affected by a review, including those on the periphery, are kept fully informed of developments.
6. That reporting mechanisms from public meetings are reviewed to ensure that:
 - a) information from, and records of, the meetings can be easily obtained;
 - b) interested parties attending those meetings are informed that any points raised at the meeting should be put in writing to ensure that they are taken into account in the review process.
7. That a procedure, such as that which has been developed to ensure a smooth transition for pupils moving between National Key Stages 2 and 3 of education, is developed by the Local Authority to ensure that disruption caused to pupils by reviews of education arrangements is minimised.
8. That the extended schools agenda is actively considered and taken into account in all primary reviews and that a procedure is developed to ensure that this and also consultation with local communities about alternative school usage takes place.

ORDERED that the findings and recommendations of the Children and Learning Scrutiny Panel be endorsed and referred to the Executive.

RECYCLING – FINAL REPORT – ENVIRONMENT SCRUTINY PANEL

The Chair of the Environment Scrutiny Panel presented the Panel's findings of the investigation of the Council's involvement in recycling in the context of the overall trend of increased waste generation, to examine national developments and consider the possible development of a strategy for green waste.

The Board considered the following recommendations of the Panel: -

1. That the Council endorses the objectives (as contained in the Department for Environment, Food and Rural Affairs (DEFRA) Waste Hierarchy) of waste minimisation and re-use as the best waste management options but also recognises and promotes the environmental benefits of recycling.
2. That these objectives are supported principally on environmental grounds and not solely due to the need for local authorities to meet Government targets/performance indicators on recycling.
3. That a targeted, borough-wide education programme is established to promote these objectives.
4. That the importance of recycling, and also all local recycling schemes, is/are publicised via all appropriate means, including the Council's website, Middlesbrough News, press releases, posters and leaflets.
5. That the impact of extending the kerbside recycling scheme on recycling levels and participation rates is assessed before determining whether the introduction of further

recycling initiatives (including a green waste strategy) are necessary to meet Government targets, or whether other measures to increase recycling rates should be considered.

6. That detailed options for dealing with green waste, including potential costs, are considered following action at (5) above.
7. That following the forthcoming DEFRA Waste Strategy 2006, together with any resultant changes in the recycling regime, and if necessary, representations be made to DEFRA regarding the fact that waste materials which are recycled from the Energy From Waste incinerator cannot be included in recycling targets even though such use (for example the use of bottom ash in the construction industry) reduces the need to exploit natural resources.
8. That the possibility of developing a programme to maximise waste recycled from Council buildings and services is examined.

ORDERED that the findings and recommendations of the Environment Scrutiny Panel be endorsed and referred to the Executive.

BORO BUZZ – FINAL REPORT – COMMUNITY SAFETY AND LEISURE SCRUTINY PANEL

A Final Report of the Community Safety and Leisure Scrutiny Panel in respect of the Panel's assessment and proposals on the Boro Buzz had been distributed.

ORDERED that consideration of the final report in respect of Boro Buzz be deferred to the next meeting of the Overview and Scrutiny Board.

SCRUTINY REVIEWS - CONSIDERATION OF REQUESTS

It was confirmed that no requests for scrutiny reviews had been received from the Executive, Executive Members, Non Executive Members and members of the public since the last meeting of the Board.

NOTED

SCRUTINY PANELS - PROGRESS REPORTS

A report of the Chair of each Scrutiny Panel was submitted which outlined progress on current activities.

Specific reference was made to the current consultation regarding two options for the reconfiguration of Primary Care Trusts which had been considered by the Health Scrutiny Panel the outcome of which and that of other authorities would be submitted to the Tees Valley Health Scrutiny Joint Committee (15 March 2006) for consideration as part of their formal response to the NHS.

NOTED

CALL IN REQUESTS

It was confirmed that no requests had been received to call-in a decision.