

FINANCE, RESOURCES AND PARTNERSHIPS SCRUTINY COMMITTEE

Wednesday, 5th November, 2014

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| Present:- | Councillor Paul Waring – in the Chair |
| Councillors | Fear, Jones, Rout, Stringer, Sweeney, Taylor.J and Wallace and Holland as substitute for Mrs Peers |
| | Portfolio Holder for Communications, Policy and Partnerships |
| Officers | Executive Director, Resources and Support Services Democratic Services Manager (for items 1 to 3 only) Audit Manager (for items 1 to 3 only) Business Improvement Manager Scrutiny Officer |
| Apologies | Councillors Huckfield, Mrs Hambleton and Mrs Peers Head of Business Improvement, Central Services and Partnerships |

DECLARATIONS OF INTEREST

Councillor John Taylor declared an interest in item 3 Constitution Review Working Group, Section 2 Protocol for Conferring the title of Honorary Alderman as he had been granted the title but suspended due to being a serving Member of the Council.

1. MINUTES OF PREVIOUS MEETINGS

Resolved:- That the minutes of the previous meeting held on Monday 1st September 2014 were agreed as a correct record subject to the following amendment:-

Item 8. UPDATE REPORT – CASE STUDY OF ACTIONS TAKEN WHERE A FOOD BUSINESS RECEIVE A POOR HYGIENE RATING

Q2. Were there any mechanisms to close down repeat offenders?

Answer 2 to be amended to read:-

If public health was at risk, with very high risk of activity in particular from pests or unfit food, processes would be put in place to close the business, voluntarily or through enforcement.

2. CONSTITUTION REVIEW WORKING GROUP

A number of recommendations were presented by the Democratic Services Manager, which the Constitution Review Working Group (CRWG) proposed and would be submitted to Full Council at its meeting in February 2015.

The CRWG consisted of four Members; Councillors Holland (Chair), Wallace, Jones and Mrs Braithwaite.

Revised Member Code of Conduct

It was reported by the Audit Manager that research was undertaken via the Standards Exchange and examples of other codes of conduct were obtained. Taking these into account a new code had been re-written to reflect best practice.

The main principles, in terms of standards of conduct, remained the same – these had been re-written to give more clarity.

The major change related to gifts and hospitality. Currently the value at which Members are required to record the receipt of any gift, benefit or hospitality was £100 this had been reduced to £10.00.

A Member advised it was a much improved document and agreed to the value of gifts and hospitality being reduced and welcomed the introduction of bullet points that had a point of reference.

Resolved:-

- (a) Members agreed to the redrafted Member Code of Conduct
- (b) That the Member Code of Conduct be submitted to Full Council at its meeting in February 2015 following consideration by the Standards Committee

Protocol for Conferring the title of Honorary Alderman

It had been suggested from the CRWG that an Honorary Alderman should at least:-

- Not be a serving Member of the Council
- Be a person of distinction who has rendered eminent services to the Council and the community
- Have served a period of not less than twelve years on the Council which may be continuous or discontinuous
- Have held a substantive office on the Council such as; Mayor, Committee Chair, Group Leader or Cabinet Member

There was presumption that where the criteria are met by a nominated individual the appointment at Full Council would be agreed without debate. Due process would be undertaken with the aim of ensuring that this would happen.

A Member commented that bullet points two and four were vague.

The Chair of the CRWG advised that the process had been discussed and it was important to make it non-political. It would have to go to a special meeting of the Council called for this purpose. In relation to bullet point two this wording was used by other Councils and was within the legislation.

It was commented that services to the community could be taken into account and for bullet point four to be amended to read “Have normally held a substantive office on the Council such as; Mayor, Committee Chair, Group Leader or Cabinet Member” to give flexibility.

Members voted in favour to include the word “normally”.

Resolved:- To include the word “normally” in bullet four and for a review to be carried out after twelve months

Scrutiny Chairs and Vice Chairs Group

Most of the work was carried out electronically and the overall feeling was that diarised meetings of the new informal committee was not required. Should any concern arise regarding duplication or overlap of a subject matter the Scrutiny Officer or Democratic Services Manager would liaise with the relevant Chairs to arrange an ad hoc meeting with the relevant Chairs or, in extreme circumstances, a meeting of all the Chairs and Vice Chairs.

A Member advised that when Scrutiny Chairs report back to Full Council, to be presented with the report two days prior was not enough time to analyse the content. It was asked if guidance could be produced on how Scrutiny Chairs were to present a report to Full Council.

The Chair of the CRWG informed that the Mayor was considering different options on presenting a report to Full Council, with possibly a working group being established.

Resolved:- That it be recommended to Full Council diarised meetings of the Scrutiny Chairs and Vice Chairs Group are not required.

Urgency Provision

Presently in the Constitution there are two duplicate sections relating to matters of urgency and it was recommended that both sections are replaced with one new urgency clause.

A Member asked for the words “or Committee” to be added in the first sentence to read “When a decision regarding a Cabinet *or Committee* function requires

The Chair agreed that the new provision was easier to interpret than the existing.

The Audit Manager was thanked by the Chair of the CRWG for her work in producing the above recommendations of the Working Group.

Resolved:- That the recommendation be presented to Full Council.

Contract Procedural Rules (Appendix 12)

This was submitted as a late Supplementary item.

Resolved:- That this item is presented to the next meeting of Finance, Resources and Partnerships Scrutiny to be held on Tuesday 16th December 2014.

3. PARISH/TOWN COUNCILS - REVIEW OF CONCURRENT FUNDING TASK AND FINISH GROUP

The Chair of the Parish/Town Councils – Review of Concurrent Funding Task and Finish Group presented a report to Committee, prior to submitting to Cabinet.

Face to face meetings were held with nine out of the ten Town/Parish Councils, Betley, Balterley and Wrinehill were the exception, but the relevant information had

still been obtained. A good deal of good practice was found and, to a certain extent, the Council was getting very good value for money.

The first question that had been raised was “are people being doubly taxed?” the answer was “yes”. The key facts found was that the Council had no legal obligation to award this grant to any Parish Council. Government funding to the Borough Council had been reduced by over 51% and would continue. The grant to Parish Councils had remained the same.

The third finding was seven out of the ten Parish Councils increased their amount of assets between March 2013 and March 2014.

The recommendations were:-

1. Doing Nothing
2. Reduce by 50%
3. Abolish S136 Monies
4. Establish a more closely monitored system

Option 4 was the favoured option by the Task and Finish

Most of the Parish Councils had in excess of twelve months’ assets in reserve. A reasonable amount would be between three to twelve months gross expenditure.

The Task and Finish Group was, therefore, recommending that a cross-party monitoring group should be established. Prior to any grant money being issued in April 2015 individual Towns and Parishes would need to provide this group with proof that the grant for 2014/2015 had been used in full and for its intended purpose. Failure to do so could result in an amount, equivalent to any shortfall in 2013/2014, being deducted from the grant for 2015/2016. This could be used as a model for the issue of S136 monies in future years.

A presentation was carried out at the Parish Forum held on Tuesday 14th October 2014 and the above recommendations were generally approved.

The Group also remained concerned at the level of cash assets held by Town and Parish Councils. It was recognised that reserves needed to be held for emergencies and money had to be set aside for large scale maintenance.

It was, therefore, recommended that by April 2016 general reserves should be set at a level of six months of gross expenditure.

One Member put forward a further proposal; up to £7,000 be awarded to every Town/Parish Council, any additional money must be justified and an application submitted.

Option 4 was largely agreed with all Members as the process would be more accountable.

There seemed to be an anomaly of reserves and assets and the saving of reserves needed to be reserves not cash reserves and if the S136 was to be abolished it should be executed over a period of time.

Clarity was asked to be provided of what were agreed as concurrent functions when the S136 grants were established in 1974. The Executive Director Resources and Support Services agreed to obtain the information produced in 1974.

Resolved:-

- (a) That the report is submitted to Cabinet on the 14th January 2015.
- (b) That the Task and Finish Group continue its work looking at the future policy relating to the S136 grant.

4. MEDIUM TERM FINANCIAL STRATEGY 2015/16 TO 2019/2020

The Executive Director, Resources and Support Services introduced the Medium Term Financial Strategy (MTFS) 2015/16 to 2019/20 which had been approved by Cabinet on the 15th October 2014.

The MTFS identified significant budgetary shortfalls over the next five years that would need addressing with robust financial and budget strategies.

Housing is an important source of economic growth. For each new build home, conversion and long-term empty home which had been brought back into use, the Council received a New Homes Bonus Grant for six years, however, thereafter funding would decline but would fluctuate as new properties were built.

The budget options developed by the Budget Review Group would be available for consideration by December and the MTFS amended, where necessary, to take account of them. Cabinet would consider the proposals in the form of a draft budget for 2015/2016 at its meeting on the 14th January 2015 and then submitted back to Finance, Resources and Partnerships Scrutiny Committee on the 21st January 2015.

The Strategy was discussed and comments noted.

Resolved:- For Committee to receive a copy of the draft budget for 2015/2016 at its meeting on the 21st January 2015

5. QUARTER 2 FINANCIAL AND PERFORMANCE REVIEW

The Executive Director, Resources and Support Services advised on the financial position for quarter two 2014/2015.

At this point in the financial year the general budget showed an adverse variance.

The main reasons for the overall adverse variance to date are:-

- (a) Overtime. Negotiations with the Trade Unions had been ongoing and a collective agreement was due to be signed imminently.
- (b) Jubilee 2. Problems are still being experienced with mechanical issues of the pool.
- (c) Kidsgrove Sports Centre was also operating at a net overspend due to income shortfall.

It was advised by a Member that comments, which are received from schools who use these facilities, should be observed. The Executive Director, Resources and Support Services informed he would relay these comments back to the Officers.

The Business Improvement Manager advised on the financial and performance management to the end of quarter two (July – September) 2014. The report would be presented to Cabinet on the 12th November 2014.

The proportion of the indicators that had met their target during this period stood at 65 per cent.

Nine indicators were off target for this quarter.

Indicator 1.10 - The number of community volunteer groups/hours spent caring for their local green spaces and neighbourhoods had reduced significantly to 585.5 hours. This was due to an external partner reducing the resource they were putting in to this initiative.

Indicator 2.6 – Percentage of minor planning applications determined within time. The drop in performance was a direct consequence of loss of staff, although there had, subsequently, been an internal appointment of a Senior Planning Officer which would help to rebuild the capacity of the service.

Indicator 3.6 – Number of people accessing leisure and recreational facilities. There had been a few closures of the swimming pools this quarter due to mechanical failures.

A Member raised concern on the percentage of minor planning applications not reaching the target. The Portfolio Holder for Communications, Policy and Partnerships informed he would feedback the comments to the Portfolio Holder for Planning and Assets and the Head of Planning.

Resolved:- To continue to monitor and scrutinise performance.

6. **WORK PLAN**

That the following items are added to the work plan:-

Tuesday 16th December 2014

Joint meeting with Economic Development and Enterprise to discuss the Asset Management Strategy and Capital Strategy 2015/2016

21st January 2015

Draft Revised Capital Budget 2015/2016

Also the Parish and Town Council – Review of Concurrent Funding Task and Finish Group be retained.

7. **PUBLIC QUESTION TIME**

No questions had been received from the public

8. **URGENT BUSINESS**

No urgent business was raised.

9. **DATE AND TIME OF NEXT MEETING**

Tuesday 16th December 2014, 6.30pm joint meeting with Economic Development and Enterprise Scrutiny Committee in the Chamber to discuss the Asset Management Strategy and Capital Strategy 2015/2016, followed by a separate meeting of the Finance, Resources and Partnerships Scrutiny Committee.

COUNCILLOR PAUL WARING
Chair