

## Scrutiny Sub-Committee for Corporate Management Issues



27 February 2006

### Meeting with the Cabinet Members for Corporate Management Issues

---

### Report of Head of Overview and Scrutiny

---

#### Purpose of the Report

1. To explain the areas covered in a discussion between Members of the Corporate Management Issues Scrutiny Sub-Committee and the Cabinet Portfolio Holders responsible for corporate matters.

#### Background

- 2 One of the Scrutiny roles is to seek to "hold the executive to account". As part of this process, a series of meetings have been arranged between Scrutiny Sub-Committee Members and relevant Cabinet Portfolio Holders to provide the opportunity for discussion and debate about key issues.
- 3 A meeting with Councillors Manton, Morgan and Ross, Cabinet Portfolio Holders for Corporate Issues took place on the 16 January 2006.
- 4 To structure the discussion, a number of areas had been identified in advance. The issues raised and the responses are set out below:

#### Structural and Corporate Issues - Question

*The new Services for Children, Adults and the Environment will shortly be starting to operate. This will present us with a number of challenges, including:-*

- *How will we be ensuring that we manage the transition so that front line services are not affected?*

**Answer** - The new Corporate Director of Children and Young Peoples Services had previously managed the process of merging services in his current Local Authority and had experience of working in both Education and Social Services. It was emphasised that there is a need to change the culture of Managers in the authority to ensure that they adopt a corporate approach.

However steps have already been taken to drive this approach forward with a recent report going to Cabinet merging the transport service provision currently undertaken by three separate departments. The lessons learned from the Minding the Gap Scrutiny Report would be taken into account.

- *How will we ensure that we do not lose the benefits of the integrated services we have at the moment, for example, in relation to Community Education and in relation to Social Care and Health where some issues, such as performance management, are currently dealt with across Childrens and Adults Services?*

**Answer** - There is now more than previously a move towards integrated services within the authority. The merging of the children's part of the Education Service and the children's work provided by Social Care and Health would present opportunities for more efficient structures.

- *Is it expected that these changes will produce savings, an additional cost or will it be neutral?*

**Answer** - In relation to savings, it was suggested that currently no particular cash savings can be identified, although it may be that when the new structures have operated for a reasonable period of time that Officers would be able to identify cash savings and that these savings could be directed back to the centre. It was emphasised that there is an expectation that Services will be more efficient once they are merged, as it provides the opportunity to consolidate processes and reduce duplication.

- *Do you think that the Council is now operating truly corporately so that we ensure that Council Taxpayers are receiving value for money across the services?*

**Answer** - Progress had been made but there was a need for much more work. It was emphasised that there is a need to change the culture within the organisation to ensure that staff operate outside of the departmental silos. The change programme is being used to overcome this.

- *How will the Council be "rolling out" services to make them more in touch with local communities?*

**Answer** - In relation to the "rolling out" of services, Members were advised that a Cabinet member had been allocated the responsibility of looking into how other local authorities have taken their services to local communities. One possible idea is using a caravan/bus to go out into the local community to reach local people. In addition it has been identified that there is a need for closer links with partners - for example the Fire Authority and Police Service to facilitate the combining of funds for community based initiatives. It was also highlighted that there is a need to work more closely with Town and Parish Councils who have strong links with the local communities that they serve.

Members commented that the Authority is perhaps not strong in relation to publicising what function/services it does provide and it was suggested that local members might be able to use County Wide to publicise what work they undertake on behalf of their local communities.

- *What new challenges do you think the Council faces over the next three years (the period of the Medium-Term Financial Plan)? Will this impact on the Council's priorities for improvement?*

**Answer** - Members were informed that the Medium Term Financial Plan identifies the priorities and challenges to be faced by the Authority. It was suggested that the economy and the generation of jobs is one area which might need to feature more strongly in the Council's priorities for improvement.

### **Budget Issues - Questions**

*The discussions we have been having with service Chief Officers have provided a better understanding of budget issues as they affect individual services and the overall impact on the Council. We have included a number of issues in our response to Cabinet about the budget which appear not to have been followed through. We would be particularly interested in your views about how effective we have been in looking at:-*

- *Gershon efficiencies - the annual efficiency statements indicate that we are exceeding our targets but there was an expectation that there would be more evidence of cash savings being produced by innovation in back-office practices to assist in dealing with budget pressures and improving front-line services*

**Answer** - Whilst efficiency savings are being made by the refining of processes and a reduction/avoidance of duplication in back office practices it is often difficult to translate these into cashable savings.

Currently there are a number of projects within the Authority aimed at reducing the back office processes and reducing duplication. In relation to Gershon there is a need to look at the Authority Corporately to ensure it is working efficiently and providing value for money. It was confirmed that any cashable savings would go to the Centre for redistribution.

- *A human resources strategy to plan for proposed Gershon savings, the establishment of the new Children's Service and Adult Service and to address efficiency improvements via IT.*

**Answer** - The new Corporate Director for Children and Young Peoples Services will look at the existing structure and consider how to make efficiency savings, it was acknowledged that there is some duplication in relation to the administrative processes within the merging Services.

It was emphasised that the Authority is high performing and high spending however there is a need to ensure value for money and that there is a role for Scrutiny in determining that value for money is being achieved by the Authority. It was recognised that an effective Human Resources Policy would be instrumental in changing the culture within the Authority to facilitate the merging of Services and the removal of the silo culture.

- *Post-16 transport arrangements*

**Answer** - Members were informed that a Steering Group had been looking at various ways forward in relation to post-16 transport and that a report will shortly be going to Cabinet highlighting the various options available to the Authority.

- *An over-spend on expenditure on Social Care and Health has been a feature of recent budget outturns. The County Treasurer has assured us that the estimates for Social Care and Health have been robust. How can we seek to ensure that the new children's and adults' budgets do not over-spend?*

**Answer** - The budget is monitored both centrally and at service level to ensure that an overspend does not happen. It was highlighted that there is currently a financial team working within Social Care and Health which takes a Corporate strategic view.

- *Do you think the Council is making the most effective use of its property portfolio?*

**Answer** - Members were informed that the Authority has an Asset Management Plan which identifies all land and property under its ownership.

It was also highlighted that the Authority will have to look at new ways of working to ensure that property is utilised fully. The number of people working from home or working away from the office has significantly increased, therefore there is a need to look at whether traditional office accommodation is needed for such staff.

It was emphasised that there is a roll for scrutiny to undertake in relation to various aspects of property management.

- *The overall staffing position appears to be a steady increase in the number of staff year-on-year despite percentage reductions in all services and Gershon efficiencies. Are you satisfied that the monitoring arrangements currently in place are appropriate?*

**Answer** - In relation to some additional staff the Authority had no option but to increase the number working within a particular area due to changes imposed by Government for example Social Workers, teaching assistants. It was confirmed that Human Resources are monitoring the figures closely and it was suggested that the Head of Human Resources attend a future meeting to explain the processes that are currently in place for monitoring purposes.

- *Do you think that the Best Value Review of Support Services has delivered the cash savings and increased efficiencies which were expected?*

**Answer** - It was confirmed that efficiencies within processes have been achieved however it is difficult to show cash savings in some areas as it is very early days. It is anticipated that further cash savings would be identified in due course.

---

**Contact: Ian Mackenzie Tel: (0191) 383 3506**

---

Attendance List – Meeting held on 16 January 2006.

**Scrutiny Members Present**

Councillors Armstrong, Carroll, Henderson, Holroyd, Lethbridge, Nicholls and Pye.

**Cabinet Members Present**

Councillors Manton, Morgan and Ross

Apologies from Councillor Bowman.