BROMSGROVE DISTRICT COUNCIL

SPECIAL MEETING OF THE EXECUTIVE CABINET

WEDNESDAY, 19TH OCTOBER 2005
AT 5.00 P.M.

COMMITTEE ROOM, THE COUNCIL HOUSE, BURCOT LANE, BROMSGROVE

MEMBERS: Councillors Mrs. M. M. T. Taylor (Deputy Executive Leader), B. L. Fuller C.B.E. Q.F.S.M., Mrs. J. M. L. A. Griffiths, R. Hollingworth and P. J. Whittaker

A G E N D A

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1.   To receive apologies for absence

2.   Declarations of Interest

3.   To confirm the Minutes of Meeting of the Executive Cabinet held on 28th September 2005

4.   Public Questions

5.   Scrutiny Review

6.   Delegation for Temporary Stop Notices

7.   Priorities 2006 / 2007

8.   Shared Services

9.   Performance Management Review - Terms of Reference

10.   To consider any other business, details of which have been notified to the Head of Administrative Services prior to the commencement of the Meeting and which the Chairman by reason of special circumstances considers to be of so urgent a nature that it cannot wait until the next Meeting

S. NIXON
Chief Executive

The Council House
Burcot Lane
BROMSGROVE
Worcestershire
B60 1AA

10th October 2005

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE EXECUTIVE CABINET

Wednesday, 28th September 2005 at 6.00 p.m.

PRESENT: Councillors Mrs. M. M. T. Taylor (Deputy Executive Leader) (in the Chair), B. L. Fuller C.B.E. Q.F.S.M., Mrs. J. M. L. A. Griffiths, and P. J. Whittaker

Observers: Councillors A. N. Blagg, Mrs. A. E. Doyle, Mrs. J. D. Luck, P. M. McDonald, N. Psirides, C. R. Scurrell and C. J. K. Wilson.

79/05   **APOLOGIES**

An apology for absence was received from Councillor R. Hollingworth.

80/05   **MINUTES**

The Minutes of the Special Meeting of the Executive Cabinet held on 9th September 2005 were submitted.

RESOLVED: that the Minutes of the Meeting be approved and confirmed as a correct record.

81/05   **MEMBER DEVELOPMENT WORKING GROUP**

The Minutes of the Member Development Working Group held on 12th September 2005 were submitted. Reference was made to the need for consideration to be given to the financial implications of the proposed Member Development Programme covering the next six months. It was

RESOLVED:
(a)   that the recommendations set out in Minute No. 21/05 regarding the Member Development Programme be approved in principle, subject to a report on the financial implications being submitted to the Cabinet;
(b)   that the remainder of the Minutes be noted.

82/05   **ISSUES ARISING FROM OVERVIEW AND SCRUTINY COMMITTEES**

Planning Services - Staff Salaries

Members considered recommendations made by the Housing and Planning Policy Scrutiny Committee regarding the problems surrounding recruitment and retention of Planning Officers and the need to increase the salaries of such staff, and for the staffing structure within Planning Services, particularly the Enforcement Section to be re-assessed. Councillor A. N. Blagg, Chairman of the Housing and Planning Policy Scrutiny Committee and Councillor Mrs. J. D. Luck spoke in support of the recommendations.

During consideration of the matter, the Deputy Leader acknowledged that the scrutiny recommendations were timely and paid tribute to Planning staff for the way they had re-organised themselves to deal with the staffing situation they had faced. The Interim Head of Planning and Environment indicated that salaries were under review as part of the restructuring proposals and that a review of business processes was being undertaken. It was

RESOLVED:
(a)   that the problems surrounding recruitment and retention of Planning Officers and the need to increase salaries of such staff be investigated as a matter of urgency;

(b)   that once the current vacancies in the Planning Section have been filled and staff have been in the posts for 3-6 months, the staffing structure in the Planning section, particularly the Enforcement Section, be re-assessed.

83/05   **MOTIONS REFERRED FROM COUNCIL UNDER COUNCIL PROCEDURE RULE 10**

Control of Rats

Councillors C. J. K. Wilson and P. M. McDonald spoke in support of the motion which called upon the Council to withdraw the call-out fee to respond to rat sightings so as to encourage people to report such sightings.

An officer report in connection with the motion was submitted.   Following consideration of the matter, it was

RESOLVED:
(a)   that the current Pest Control charging scheme be confirmed;
(b)   that the Cabinet receive a quarterly report on the situation and take action as may be necessary, and that the scheme be reviewed as part of the budget process.

84/05   **RECOVERY PLAN - NEW FORMAT**

The Cabinet considered a revised format for the Recovery Plan which was intended to be more user-friendly for the Government Monitoring Board, Members and staff and to be a more effective more effective performance management tool. It was

RESOLVED: that approval be given to the adoption of the Recovery Plan in its new format comprising:

▪   an overview programme showing all activities;
▪   detailed programmes for each activity showing milestones for development;
▪   a '4-month horizon' document giving detailed communications on what is to be done.

85/05   **REVISING THE MEDIUM TERM FINANCIAL PLAN**

Consideration was given to the proposed timetable and process to be adopted in order to revise the three-year budget strategy for revenue and capital. The Corporate Director (Resources) emphasised that the budget would need to be driven by priorities and clarified that the final Service Business Plans for 2006/2007 would be subject to formal approval by Members. It was

RESOLVED:
(a)   that the holding of a facilitated session between Cabinet Members and Senior Management to consider priorities and non-priorities be noted;
(b)   that special Meetings of the Cabinet and full Council be held to agree priorities and non-priorities;
(c)   that the initial draft Service Business Plans for 2006/2007 will not be considered formally by Members but be developed in conjunction with the appropriate Portfolio Holder;
(d)   that further consideration be given to the consultation to be undertaken later in the budget process;
(e)   that the Asset Management Plan and Capital Strategy be developed in accordance with the timetable and that these address the remainder of the current financial year and 2006/2007 onwards.

86/05   **AMPHLETT HALL - IMPROVEMENT WORKS**

The Cabinet considered a report on various improvement works which needed to be carried out in order to bring Amphlett Hall in line with the latest standards. Following discussion, it was

RECOMMENDED: that approval be given to the execution of works to Amphlett Hall as set out in the report, and that a budget of approximately £55,000 inclusive of related consultant fees be approved and funded from the Council's revenue reserves.

87/05   **PUBLIC SPEAKING AT PLANNING COMMITTEE**

Consideration was given to a report on the possible introduction of public speaking at meetings of the Planning Committee which set out a suggested scheme for adoption based on research into good practice. Following discussion, it was

RESOLVED:
(a)   that public speaking at meetings of the Planning Committee be approved in principle;
(b)   that the Chairman of the Planning Committee be asked to lead a 'task and finish' group to be set up comprising five Members to examine the practicalities of such a scheme and to report back recommendations to the Cabinet as soon as possible.

88/05   **A STRATEGY FOR THE DELIVERY OF SERVICES FROM THE STREET SCENE AND WASTE MANAGEMENT SECTION**

The Cabinet considered a report which presented a proposed strategy for the sustainable improvement of the services delivered by the Street Scene and Waste Management Section. The strategy would enable the Council to establish long term financial revenue and capital planning for these services and encompassed proposals for significant growth, particularly in street cleansing.

It was clarified that the Council would not consider developing a separate collection service for nappies as this would be contrary to the Countywide Waste Strategy. Members were also informed that a further report would be brought forward with regard to proposals to deliver better customer care through improved Information Technology. It was

RESOLVED:
(a)   that the proposals contained within the strategy be endorsed and that the strategy document be referred to the Health and Leisure Scrutiny Committee for consideration and comment;
(b)   that the strategy form the basis of a public consultation exercise to assist the Council in understanding community needs and in setting its priorities for environmental improvement;
(c)   that the additional resource implications of the strategy be considered as part of the Medium Term Financial Plan.

89/05   **EXTRA CARE HOUSING FOR OLDER PEOPLE**

The Cabinet considered a report on Extra Care Housing which included proposals for re-modelling the Gilbert Court Sheltered Housing Scheme to Extra Care Housing standard, together with a request for the Council to contribute towards the scheme. In return for this contribution, Bromsgrove District Housing Trust (BDHT) had proposed a partnership strategy to improve the type and standard of accommodation available to house homeless people which would allow the Council to release capital assets. Following discussion, it was

RESOLVED: that the contents of the report be noted and that approval in principle be given to the submission of a bid by BDHT for Government funding for the provision of Extra Care Housing in the District.

RECOMMENDED: that approval be given to the request by BDHT for capital funding of £1,000,000 towards the re-modelling of a sheltered housing scheme in the District to Extra Care standard on the basis of a commitment by BDHT to work in strategic partnership with the Council to provide alternative temporary accommodation and potentially release capital assets.

90/05   **BROMSGROVE TECHNOLOGY PARK - DESIGN GUIDE**

This item was withdrawn.

91/05   **CAPITAL OUTTURN 2004/2005**

Consideration was given to a report on the overall position of capital spending for 2004/2005, the financing of that expenditure, together with a number of requests for carry forward of budgets into 2005/2006. During the discussion attention was drawn to a number of capital schemes which it was felt highlighted the need to improve project management, forward planning and profiling of expenditure. It was also suggested that in some cases, better explanations of the reasons for variances and requests for carry forwards could have been included in the report. Following discussion, it was

RESOLVED:
(a)   that the capital spending of £7.238m against the 2004/2005 Revised Capital Budget, and the capitalisation of expenditure amounting to £2.082m relating to costs incurred on the Large Scale Voluntary Transfer of the Council housing stock to Bromsgrove District Housing Trust be noted;
(b)   that the financing of capital expenditure totalling £10.699m for 2004/2005 be noted;
(c)   that the request to carry forward £35,000 from 2004/2005 to 2005/2006 for the Catshill Community Project be approved in principle, subject to clarification of the scheme and the submission of a schedule of all Section 106 schemes to a future meeting of the Cabinet;

RECOMMENDED:
(a)   that the request to carry forward £2,000 from 2004/2005 to 2005/2006 for scheme GC476 (Flex Time Machine) be not approved in view of the fact that this had already been carried forward from 2002/2003;
(b)   that a further report be submitted with regard to scheme GC052 (Green Lane Drainage Phase II), and that in the meantime, the request to carry forward £3,000 from 2004/2005 to 2005/2006 be not approved;
(c)   that in the light of a request from the Portfolio Holder for Finance for a schedule of all outstanding work in relation to scheme GC352 (Dolphin Centre - Upgrade), the Corporate Director (Resources) be authorised to determine the request for the carry forward of £171,000 from 2004/2005 to 2005/2006 for this scheme in consultation with the Portfolio Holder for Finance;
(d)   that the Council approve the carry forward of budgets amounting to £1.386m to the Revised Capital Budget for 2005/2006;
(e)   that the Council approve the carry forward from 2004/2005 to 2005/2006 of revenue resources amounting to £16,500 for the purpose of financing the Shopmobility scheme.

92/05   **MILL LANE CONTRACTOR COMPOUND AREA**

Having considered a report on the retrospective designation of a number of spaces for the use of contractors working on the Mill Lane improvement project in Bromsgrove, it was

RESOLVED:
(a)   that the parking spaces on the Recreation Road South pay and display car park indicated in Appendix A to the report be suspended for use by contractors during the period of works for the Mill Lane improvements;

(b)   that the loss of revenue from the suspension of these spaces be met from excess charges income.

93/05   **MILL LANE DEDICATION OF LAND**

This item was withdrawn.

94/05   **RESIGNATION OF THE LEADER OF THE COUNCIL**

(The Chairman agreed to the consideration of this item as a matter of urgency as a decision was required thereon before the next ordinary meeting of the Executive Cabinet).

Councillor B. L. Fuller referred to the resignation of Councillor D. C. Norton as Leader of the Council and sought clarification of the mechanisms that would be in place during the interim period until such time as a new Leader was appointed at a meeting of the full Council.

The Chief Executive, on behalf of officers of the Council, paid tribute to the full commitment and dedication shown by Councillor D. C. Norton as Leader of the Council in spearheading the turnaround of the Council and expressed best wishes for his future.

The Chairman also paid tribute and stated that Councillor D. C. Norton had brought the Council to a position where it could look forward to improving and finally reaching its goal which it aimed to achieve by March 2007. His efforts would never be forgotten and without his dedication and sense of purpose as Leader, the Council would not have reached the point it was now at. Members, Officers and Bromsgrove owed him a great debt and the Council could look forward positively to taking its place amongst the best authorities in the country.

It was

RESOLVED:
(a)   that it be noted that following the resignation of Councillor D. C. Norton from the office of the Leader of the Council, Councillor Mrs. M. M. T. Taylor as the Deputy Leader will undertake all roles and functions which would otherwise be undertaken by the Leader, pending the election of a new Leader in due course;
(b)   that Members note with regret the resignation of Councillor D. C. Norton as Leader;
(c)   that the Chief Executive be requested to convey the sentiments as set out above to Councillor D. C. Norton;
(d)   that the Chief Executive write to all Members to formally inform them of the resolution set out in (a) above.

95/05   **LOCAL GOVERNMENT ACT 1972**

RESOLVED: that, under Section 100A(4) of the Local Government Act 1972, the public be excluded from the Meeting during the consideration of the item of business the subject of the following Minute on the grounds that it involves the likely disclosure of "Exempt Information" as defined in Part I of Schedule 12A to the Act, the relevant paragraph of that part being as set out below:-

Minute No.	Paragraph
96/05	7

96/05   **SPADESBOURNE SUITE KITCHEN**

Following consideration of the report, it was

RESOLVED:

(a)   that approval be given to the Council entering into a rental agreement for the use of the Spadesbourne Suite kitchen with CP Catering for an initial three year period;

(b)   that the Head of Culture and Community Services in consultation with the Head of Legal and Democratic Services be authorised to agree appropriate terms including rental.

The Meeting closed at 8.10 p.m.

Chairman

BROMSGROVE DISTRICT COUNCIL

EXECUTIVE CABINET - 19TH OCTOBER 2005

REVIEW OF THE SCRUTINY PROCESS

Responsible Portfolio Holder	
Responsible Head of Service	Head of Legal and Democratic Services

1. SUMMARY

1.1 To consider a review of the Council's Overview and Scrutiny Committees.

2. RECOMMENDATION

1.1 That the revised Scrutiny Committee structure, as set out in paragraph 3.16, and the terms of reference for the Overview and Scrutiny Committee, as set out in paragraph 3.18, be approved.

1.2 Members are requested to decide whether to adopt a system of a fixed number of Task Groups or the creation of ad hoc Task Groups, as detailed in paragraph 3.17.

1.3 That the terms of reference for the Task Groups, as set out in paragraph 3.19, be approved

1.4 That the revision to the call in procedure, detailed in paragraph 3.20, be approved.

1.5 That the system of using criteria for to establish the need to carry out a particular scrutiny exercise, as detailed in paragraphs 4.5 to 4.8, together with the use of the scrutiny proposal form, as set out in the appendix to the report, be approved and adopted.

1.6 That new working methods, as set out in paragraphs 4.9 - 4.18 inclusive, be approved and adopted.

1.7 That the Standards Committee and the Council be recommended to approve necessary amendments to the Council's Constitution arising from the approval and implementation of the revised Overview and Scrutiny Committee System.

1.8 The Head of Legal and Democratic Services be authorised to arrange a calendar of meetings for the Overview and Scrutiny Committee for the remainder of the current municipal year.

3. BACKGROUND

3.1 The system of scrutiny committees was introduced as a consequence of the Local Government Act 2000.

3.2 As part of the Recovery Plan process the Council has undertaken to carry out a complete review of its scrutiny committees.

3.3 This review takes in to account
- Views of members expressed in a recent survey
- Examples of best practice from across the country
- Examples of other authorities which have received a "poor" or "weak" CPA rating and who have since reviewed their scrutiny processes
- Reviews of scrutiny arrangements carried out by other authorities
- Advice taken from the Centre for Public Scrutiny document "Overview and Scrutiny - Guidance for District Councils"
- Analysis carried out using the Centre for Public Scrutiny "Self evaluation framework for Overview and Scrutiny in local government"
- The recent establishment of a Performance Management Board

THE CURRENT SYSTEM

1.1 Bromsgrove currently has three Scrutiny Committees each consisting of 13 members. Within their terms of reference, Overview and Scrutiny Committees:

(a) review and/or scrutinise decisions made or actions taken in connection with the discharge of any of the Council's functions;

(b) make reports and/or recommendations to the full Council and/or the executive in connection with the discharge of any functions;

(c) consider any matter affecting the area or its inhabitants;

(d) exercise the right to call-in, for reconsideration, decisions made but not yet implemented by the executive and/or any policy or area Committees; and

(e) consider best value reviews.

1.2 The terms of reference of the Committees are as follows

Policy and Strategy	- Local democracy and the achievement of effective, transparent and accountable decision making by the Council - The Council's budget, the management of its budget, capital, revenue borrowing and assets (including land and people) and its audit arrangements - The provision, planning, management and performance of the Council's central services, including support services, best value, the community plan and any other Council function not otherwise addressed by any other Committee

Housing and Planning Policy	• The provision, planning, management and performance of the Council's housing, town and country planning, building control and other technical services • The physical, social and economic environment and welfare of Bromsgrove, including the provision, planning and management of its housing and the built environment
Health and Leisure	• The provision, planning, management and performance of the Council's leisure and environmental health services • The holding to account of health authorities, as proposed under the NHS Plan.

3.6 The existing Committees were based largely upon an amalgamation of the former Housing, Recreation, Amenities and Tourism, Policy and Resources, Planning and Highways and Environment and Health Committees. The linkage to the old Committee system has not enabled members to break away from that system and fully embrace the new requirements of Overview and Scrutiny.

3.7 It is clear from comments received from members that they consider that the current Overview and Scrutiny Committee arrangements are not working as well as had been anticipated. Comments submitted by Members included:-

- *Limited effectiveness to date due to lack of capacity to improve*
- *It has not been effective because the historic system of officers and Executive cabinet formulating policy has been continued*
- *Rather patchy and differs from one Committee to another*
- *Have not seen much evidence to date of scrutiny being involved in development of policy - more emphasis on review of services rather than policies. In summary I don't think scrutiny works at a strategic policy level.*
- *I do not believe that scrutiny is very effective at all. The people concerned are trying to use it like the old Committee system and for purely political reasons. There have been odd occasions when something good has come from it but on the whole it is used by councillors trying to find something to do. We are at fault for not organising it properly.*

3.8 Members identified in the survey that they felt that the use of Task Groups had been the most effective part of the current scrutiny process. When asked how useful they felt the use of Task Groups had been several Members said: they had been "very useful" and other comments included-
- *Useful in experimenting with different types of enquiries*
- *Has to be the only way to scrutinise properly*
- *The Task Groups have raised the profile of certain topics. They have increased member interest.*
- *Very useful to look at some issues in depth.*
- *Most helpful and beneficial I have found them most informative and you learn a lot from the Task Groups to pass on to others*
- *The only one I can judge on is Refuse. The feedback from that Task Group was excellent and very beneficial. The museum Task Group is only in its early stages but should be beneficial.*

- *In some areas of work this has been successful, improvements could be made by always looking at the financial implication*

3.9 In the response to the survey members have identified the need to change the way the scrutiny process works. Members suggested improvements included:-
- *Having an over-arching scrutiny chair with powers*
- *We need to assess subjects against our risk/outcomes guidelines rather than acting on a whim*
- *More selective in policy or service that is to be scrutinised*
- *Some "policies" could have been discussed and proposed by the Scrutiny Committees*
- *We need long term future plans from executive with items mapped for each Scrutiny Committee from this other flexibility can then be added on.*
- *Earlier involvement in new projects.*
- *Scrutiny and Overview may be even more effective if there were less items to be scrutinized and more time spent on each of the discussions. Each scrutiny done more thoroughly.*
- *All members of Scrutiny Committees need to be positively engaged in what is possible to achieve.*
- *I think the number of scrutiny panels should be reduced to one and the guidance they are given should be to concentrate on identified problem area to see why they are not working and to find out what the public thinks about it. They are currently inward looking.*

3.10 There is a need to ensure that the scrutiny process becomes more effective. It needs to be able to assist the council achieve its priorities, review its performance, develop policies, hold the Executive to account and allow members the opportunity to raise issues of concern to residents of the District. Scrutiny should result in improved value, quality of service and enhanced performance.

3.11 Officers are also aware of the strengths and weaknesses of the current system and have undertaken considerable research in to what may be the most appropriate ways of carrying out the Overview and Scrutiny role. There are two main aspects to improving the scrutiny process. One is to ensure that the correct structures are in place to enable good scrutiny to be carried out. The second is promoting effective ways of working.

PUTTING THE RIGHT STRUCTURES IN PLACE

3.12 There is no right or no wrong approach to how Scrutiny Committees should be organised though some are viewed as being better than others. The Centre for Public Scrutiny has stated

"There is no 'ideal type' Overview and Scrutiny structure; Local circumstances will dictate the most appropriate Committee structure. Those authorities where Overview and Scrutiny is struggling tend to be those where party politics predominate and where Councillors are struggling to move away from the old Committee system."

3.13 The need for a review of the scrutiny process has been identified in the Recovery Plan and the comments from members. Examples from other authorities demonstrate that in order to make scrutiny an effective tool for the Council there is a need to move away from the current three Scrutiny Committees and instead adopt a revised approach, which enables scrutiny to make a proactive and positive contribution to the work of the Council.

3.14 Whilst each Council will operate its scrutiny function in a slightly different way from others, many authorities have adopted a structure which provides an overarching Committee which
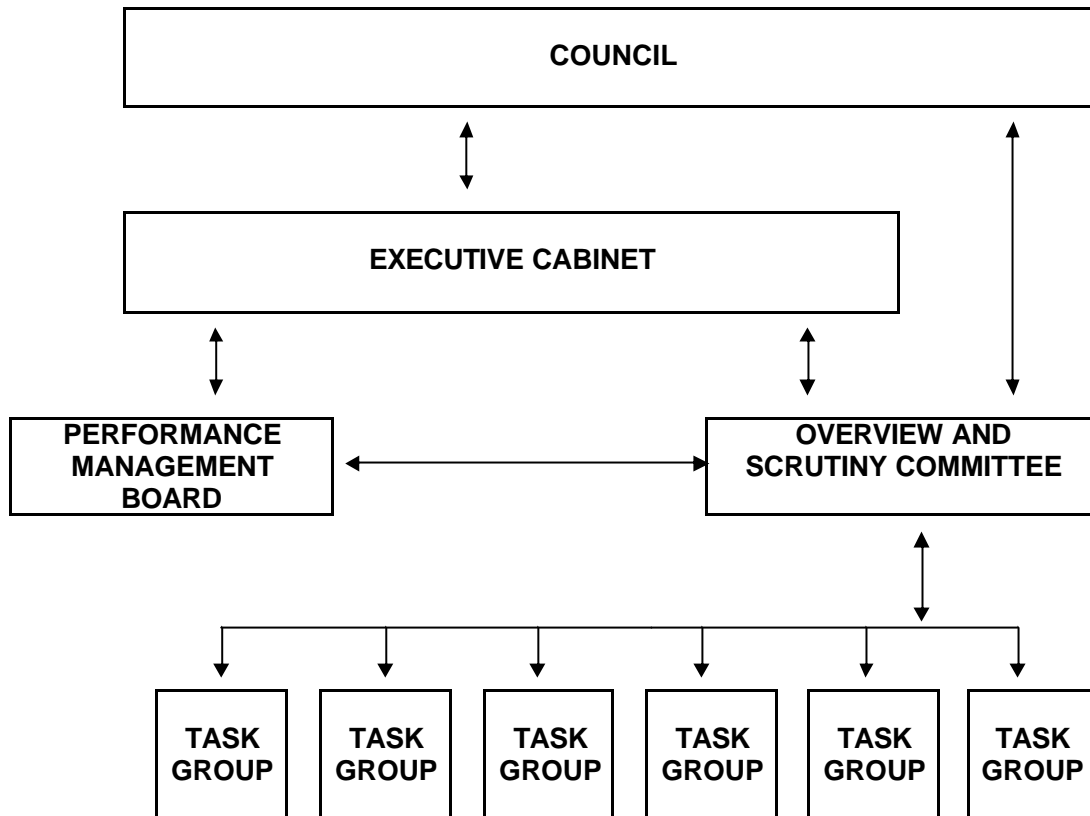- reviews the scrutiny work programme
- considers proposals for scrutiny
- considers the Executive Cabinet's Forward Plan
- monitors the work of the Task Groups
- considers the final reports of the Task Groups and make recommendations to the Executive Cabinet

This Committee decides the scrutiny work programme and then allocates work to Task Groups which report to it. The Task Groups will only carry out one scrutiny exercise at a time but will do so in depth and investigate the subject thoroughly.

3.15 The benefits of such a system are that
- The Committee can co-ordinate and prioritise the scrutiny exercises which are carried out
- It allows the development of structured scrutiny work programme
- Scrutiny can assist the Council to develop or review policies which in turn can enable the Council to achieve its priorities
- It still allows the Executive to be held to account
- It breaks the link with the old Committee system
- As there is only one Committee, it can select any issue affecting the Council and ask for a Task Group to look at it.

1.1 The review proposes therefore that this Council adopts such a scrutiny system and that the current three Committees are replaced with one Committee. This Committee will be responsible for co-ordinating all the scrutiny work. The membership of the Committee would remain at the current number of 13 which will allow all groups on the council to be represented. The scrutiny reviews will be carried out by a number of Task Groups. There are two options (set out in the following paragraph) in relation to the Task Groups either that there will be a fixed number of Task Groups and the scrutiny reviews will be allocated to each Task Group on the basis of their existing workload or that ad hoc Task Groups are appointed to deal with individual pieces of scrutiny work as they arise. The diagram below shows how this would work in practice.

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TASK GROUP OPTIONS

3.17 In order for Task Groups to be effective it is essential that they continue to have the same small size as present. It is therefore suggested that Task Groups should have a membership of no more than seven councillors. As stated above there are two options for the Task Groups.

Fixed number of Task Groups

The first option is to establish a fixed number of Task Groups each with an agreed membership. The effect of this would be that

- Non executive members would be allocated a place or places on the various Task Groups. Members would know which body they served on and once the work programme has been formulated and agreed which matters that Task Group would be working on.

- Because the Task Groups would be permanent, they would fall under the requirements to allocate seats on a proportional basis. Due to the small size of the Task Groups it is likely that the smaller groups on the Council would not be allocated seats on every Task Group, although they would be represented on some Task Groups.

- Work would be allocated to Task Groups in turn or depending on their workload. This may mean that members of a particular Task Group are asked to scrutinise matters in which they have little or no interest or specialised knowledge.

- If all the Task Groups were busy working on scrutiny reviews other matters which have been added to the scrutiny work programme would have to wait until a Task Group became available to begin a new piece of work.

Ad Hoc Task Groups

The second option is that the Overview and Scrutiny Committee would establish ad hoc Task Groups to undertake individual scrutiny reviews on a "task and finish" basis. The effect of this would be :-

- Members would serve on permanent bodies but would be appointed to a Task Group established for a particular purpose by the Overview and Scrutiny Committee.
- Because Task Groups would be appointed on an ad hoc basis they would not would fall under the requirements to allocate seats on a proportional basis. Members would be appointed in a personal capacity without regard to their membership of any political group. This would allow greater flexibility of membership and more opportunity for cross party working.
- Task Groups would be established to respond to the need to carry out scrutiny reviews and could therefore react quickly to the need to carry out particular pieces of work.
- Would allow individual members to take part in reviews on matters in which they have an interest or specialised knowledge.

3.18 **PROPOSED TERMS OF REFERENCE FOR THE OVERVIEW AND SCRUTINY COMMITTEE**

1. The Overview and Scrutiny Committee will oversee and co-ordinate the scrutiny and review of any of the Council's functions, and the performance of other public bodies whose work affects the residents of the District.

2. The Overview and Scrutiny Committee will oversee and co-ordinate the scrutiny and review process through:
   - co-ordination of the policy development and review programme in accordance with the overall framework set by Council, and agree the terms of reference of each review and monitor progress of these reviews against the programme;
   - determination of the scrutiny work programme;
   - to allocate scrutiny reviews listed in the scrutiny work programme to the Task Groups;
   - consideration of requests for reviews or investigations from individual members, the Executive Cabinet, the Performance Management Board and/or Council; and
   - consideration of decisions of the Executive Cabinet which have been called-in.

3. The Overview and Scrutiny Committee will, following scrutiny or in-depth analysis of policy issues by the Task Groups, consider reports prepared by those Groups and make recommendations to the Executive Cabinet or where appropriate the Council, on the development of the Council's budget and policy framework.

4. The Overview and Scrutiny Committee may consider any matter affecting the District and its inhabitants.

5. The Overview and Scrutiny Committee will report annually to Council on its work and make recommendations for future work programmes and amended working methods if appropriate.

3.19 **TERMS OF REFERENCE OF THE TASK GROUPS**

1. Each of the Task Groups will be composed of no more than seven elected members.

2. Each task group may co-opt no elected members to serve on the task group. Co-opted members will be able to contribute to the debates and work of the task group but will not be able to vote on any decisions made by the task group.

3. The Task Groups will carry out scrutiny reviews allocated to them by the Overview and Scrutiny Committee.

4. The Task Groups will keep the Overview and Scrutiny Committee informed of the progress of each scrutiny review and will produce a report (which may or may not include recommendations) for consideration by the Overview and Scrutiny Committee at the end of the review.

CALL IN

3.20 The reduction of the number of Scrutiny Committees from three to one will necessitate a revision to the call in procedure which is set out in the Council's constitution. At present, call in can be generated by any three members of the relevant Scrutiny Committee. This could be changed, for example, to any five members of the Council who represent at least two of the political groups on the Council.

4. NEW WAYS OF WORKING

4.1 The Centre for Public Scrutiny has developed four principles of good scrutiny, namely that effective public scrutiny:
- *provides a critical friend challenge to Executives as well as external authorities and agencies;*
- *reflects the voice and concerns of the public and its communities;*
- *takes the lead and own the scrutiny process on behalf of the public; and*
- *makes an impact on the delivery of public services*

4.2 In order to ensure that the scrutiny function operated by this Council meets those principles it is necessary to review not only the structures for carrying out scrutiny but also the way scrutiny works. Set out below are some of the major issues which need to be addressed. This is not an exhaustive list but should be seen as a starting point. Scrutiny is a constantly evolving process and other issues will arise through the operation of the scrutiny process, the development of new ways of working or best practice by other authorities or through member development.

CRITERIA FOR SCRUTINY

4.3 At the scrutiny training session held in February 2005 members were advised that some authorities have adopted a system where any matter suggested as a subject for scrutiny needs to demonstrate how doing so would be of benefit to the Council. It is proposed to introduce a similar system.

4.4 Any non executive member will be able to propose that a matter be the subject of scrutiny. Members would be expected to complete a scrutiny proposal form, a copy of which is attached. The form defines the subject the member wishes to see scrutinised and the reasons why the member thinks it is a suitable subject for scrutiny. It also begins the scoping process by outlining the range of witnesses the member feels should be invited to give evidence.

4.5 With the exception of matters which are the subject of the call in procedure, in order to be added to the scrutiny work programme a subject should meet at least two of the criteria set out below. The more criteria the subject meets the greater priority the Scrutiny Committee will need to give the proposal.

- It is an area of council activity which has been identified as performing poorly
- It is an area of concern identified by CPA/external audit
- It is a corporate plan priority
- It is a government priority area
- It is an external priority area
- It is of key interest to the public
- It has a high level of budgetary commitment
- There is a pattern of overspending or under spending
- It is new government guidance or legislation
- It is a proposed new policy for the Council
- It is a review of an existing Council policy to enhance the service provided
- It effects more than three wards within the District
- It is an area which affects not only Bromsgrove but also one of the neighbouring authorities
- It concerns the work of an external organisation or agency whose work has a direct affect on the health or well being of the residents of the District
- It is a review of progress made since a previous scrutiny exercise
- It is a post implementation review of a new policy or way of working

4.6 However if the subject suggested for scrutiny falls in to one of the following categories will not be added to the work programme:-

- The issue has already been the subject of a "Call in"
- The issue is already being considered by the Executive
- The issue is already being scrutinised or relates directly another currently active scrutiny exercise
- The issue is already being considered by an officer group who will be submitting a report
  to the Executive in the near future
- The issue is already programmed to be reviewed (e.g. as part of a Best value review)
  within the next year
- The issue has already been scrutinised within the last year
- New legislation or government guidance is expected on the issue within the next year

1.1 Some authorities which use a similar system have developed a scoring matrix by which scrutiny topics can be prioritised. It is not considered appropriate or necessary to introduce such a matrix at this point though such a system could be introduced at a later date.

4.8 One of the consequences of the change to this system is that it will allow members to become more focused on carrying out effective scrutiny and will spend less time considering reports presented for information or for noting.

HOLDING THE EXECUTIVE TO ACCOUNT

4.9 One of the most important roles of the scrutiny process is to hold the Executive to account. This should not be a negative experience in which the Scrutiny Committee merely criticises the Executive. Instead the Scrutiny Committee should be acting as a critical friend. Where criticism is required it should be done in a proactive way, one in which the perceived problems are highlighted and positive, solutions, backed by costed evidence, are provided.

4.10 One of the most common and effective ways of holding the Executive to account is for Scrutiny Committees or Task Groups to invite the relevant portfolio holders to attend their meetings and for members to give evidence and to answer questions on the subject. Currently Portfolio Holders are not generally expected to speak to Scrutiny Committees about the areas for which they are responsible this is generally left to officers. In many other authorities it is the portfolio holder who is expected to present reports and to give the case why the Cabinet may have made a particular decision or is proposing a policy. Likewise Scrutiny Committee chairmen are not expected to attend and address cabinet meetings to present the recommendations arising from a scrutiny exercise. In many places both of these are quoted as examples of good practice as they give the members ownership of the workload of the Council and members do not have to rely on officers so much. By taking responsibility for areas of the Council's work members gain a better and more detailed knowledge of the issues.

CROSS PARTY WORKING

4.11 An important role of overview and scrutiny is the promotion of cross party working. The scrutiny function should be carried out in spirit of co-operation and where individual party politics are not a predominant feature. It demonstrates a Council that is able to provide constructive criticism, informed and reasoned advice, opinions and recommendations for the Executive Cabinet to consider. This is recognised nationally as best/ good practice.

PERFORMANCE MANAGEMENT

4.12 The Executive Cabinet at its meeting held on 22 June 2005 approved the establishment of a Member Performance Management Board. That Board will have overall responsibility for monitoring progress and performance against the Councils strategic objectives and key Performance Indicators. It will review, challenge and drive overall progress and performance by considering bi-monthly reports. In addition, it will be able to call in exception reports on unsatisfactory performance and consider proposals for improvement. This will remove the need for the Scrutiny Committee to receive the regular performance indicator reports. However it will not prevent the Scrutiny Committee from deciding to scrutinise performance reports and detailed reports on specific issues of concern. The Scrutiny Committee will be able to examine in detail how performance in a specific area might be improved, unsatisfactory performance rectified or alternative approaches to providing a specific service

BUDGET MONITORING

4.13 The Council is legally required to refer major policy documents including at the highest level the budget to a Scrutiny Committee for consideration. The formal budget consultation will therefore continue with the draft budget being considered by the Overview and Scrutiny Committee. This will be supplemented by one or more separate presentations to members on the draft budget which will allow members the opportunity to ask questions and seek clarification on detailed aspects of the budget. The Overview and Scrutiny Committee will also have the ability to refer to one of the Task Groups specific areas of the budget for more detailed scrutiny.

INFORMATION REPORTS

4.14 The work of the Overview and Scrutiny Committee will concentrate on
- reviewing the scrutiny work programme
- considering proposals for scrutiny
- considering the Executive Cabinet's Forward Plan
- monitoring the work of the Task Groups
- considering the final reports of the Task Groups and making recommendations to the Executive Cabinet

Consequently as well as not receiving regular reports on performance indicators (see above) the Scrutiny Committee will no longer consider reports for information, to be noted, minor update reports, or updates on other areas of performance (e.g. numbers of officer recommendations overturned by Planning Committee). Such reports are a hang over from the old Committee system and should form no part the work of the Scrutiny Committee. If members still require such information it can be provided in the fortnightly "Briefly Bromsgrove" bulletin or any subsequent members' information newsletter.

TRAINING

4.15 Members have received three training sessions on the role, purpose and structures of scrutiny and have recently highlighted the need for training on scrutiny effectiveness. There will be a need to review training available for members and to provide further training as appropriate.

4.16 To date there has been little if any training for officers which has been specifically related to scrutiny. Officers are or can become involved in the scrutiny process at various times and it is important that to support and develop their understanding of the role of scrutiny. Such training should be aimed at the range of officers at various levels within the organisation who become involved in scrutiny reviews. This will allow them a better understanding of the role of scrutiny and what they can do to ensure that it is an effective tool for the Council.

PUBLIC ENGAGEMENT

4.17 The Centre for Public Scrutiny has identified that *"Effective public scrutiny should reflect the voice and concerns of the public and its communities, should own the process on behalf of the public and should make an impact on the delivery of services."* But has also acknowledged that *"It is highly unlikely that people will care about investigations into internal matters such as departmental recharges or procurement*

initiatives. In selecting topics of inquiry, attention should be paid to public priorities and issues of local concern."

4.18 To date little has been done to raise the public profile of the scrutiny process. The Museum Task Group issued a press release and made use of the web site to attract comments from the public on the future of the Museum. If this process was followed at the beginning of each scrutiny exercise it would demonstrate the range of scrutiny work being undertaken. Members can be encouraged to proposed items for scrutiny which are more likely to encourage the public to become engaged in the scrutiny process. The web site currently offers the public the opportunity to suggest topics which members could scrutinise but this has so far generated very few suggestions.

5.   Financial Implications

5.1   There are no financial implications arising from this report.

6.   Legal Implications

6.1   Section 21 of the Local Government Act 2000 states

> **21.** *(1) Executive arrangements by a local authority must include provision for the appointment by the authority of one or more Committees of the authority (referred to in this Part as Overview and Scrutiny Committees).*
>
> *(2) Executive arrangements by a local authority must ensure that their Overview and Scrutiny Committee has power (or their Overview and Scrutiny Committees have power between them)-*
>
> > *(a) to review or scrutinise decisions made, or other action taken, in connection with the discharge of any functions which are the responsibility of the executive,*
> >
> > *(b) to make reports or recommendations to the authority or the executive with respect to the discharge of any functions which are the responsibility of the executive,*
> >
> > *(c) to review or scrutinise decisions made, or other action taken, in connection with the discharge of any functions which are not the responsibility of the executive,*
> >
> > *(d) to make reports or recommendations to the authority or the executive with respect to the discharge of any functions which are not the responsibility of the executive,*
> >
> > *(e) to make reports or recommendations to the authority or the executive on matters which affect the authority's area or the inhabitants of that area.*

6.2   Sections 15 - 17 of the Local Government and Housing Act 1989 relate to the duty to allocate seats on Committees in accordance with the political balance on the Council.

Background Papers

Results of survey of Bromsgrove District Councillors on attitudes towards the scrutiny process.

Bromsgrove District Council "A Guide to Overview and Scrutiny"

Centre for Public Scrutiny document "Overview and Scrutiny - Guidance for District Councils"

Centre for Public Scrutiny "Self evaluation framework for Overview and Scrutiny in local government

Kerrier District Council Review of Overview and Scrutiny report dated 16 April 2003

Kerrier District Council Overview and Scrutiny Annual report 2003/2004

Maidstone Council Overview and Scrutiny E-Bulletin

Malvern Hills District Council Constitution

North East Lincolnshire Council "IDeA Overview and Scrutiny Check Up Final Report February 2005

Rossendale Borough Council "Scrutiny Pack"

Rushcliffe Borough Council "Performance Management Board" leaflet

Swindon Borough Council "Review of Scrutiny Arrangements" Final Report

Torbay Borough Council "Review of Overview and Scrutiny in Torbay Council" Report by Professor Steve Leach

Wychavon District Council Constitution

Contact officer

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OVERVIEW AND SCRUTINY COMMITTEE

SCRUTINY PROPOSAL

Name of Councillor : …………………………………………………………..

General Subject Area to be Scrutinised: …………………………………………………..

Specific Subject to be Scrutinised

……
……
……
……
………………………………………………………..………………………………………………………

This subject should be scrutinised because it meets at least two of the following criteria (please indicate which)

_____   It is an area of council activity which has been identified as performing poorly
_____   It is an area of concern identified by CPA/external audit
_____   It is a corporate plan priority
_____   It is a government priority area
_____   It is an external priority area
_____   It is of key interest to the public
_____   It has a high level of budgetary commitment
_____   There is a pattern of overspending or underspending
_____   It is new government guidance or legislation
_____   It is a proposed new policy for the Council
         It is a review of an existing Council policy to enhance the service provided
_____   It effects more than three wards within the District
_____   It is an area which affects not only Bromsgrove but also one of the neighbouring authorities
_____   It is a review of progress made since a previous Scrutiny exercise
_____   It is a post implementation review of a new policy or way of working

Should the relevant Portfolio Holder(s) be invited to give evidence?   YES/NO

Should any Officers be invited to give evidence?   YES/NO

If yes, state name and/or post title:……..………………………………………………………..
……
……
……..
Should any external witnesses be invited to give evidence?   YES/NO

If so, who and from which organisations?
………………………………………………………..…………………………………………………………
……
……
………………………………………………………………………………………………………..

Should the Task Group receive evidence from other sources other than witnesses? If so, what information should the Task Group wish to see and from which sources should it be gathered?…………………………………………………………..……………………………
………………….…………………………………………………………..……………………
……..…………………………………………………………….…………………………………
………
……

Should a period of public consultation should form part of the Scrutiny exercise? YES/NO

If so on what should the public be consulted?
....
....

Will the Scrutiny exercise cross the District boundary and, if so, should any other authorities be invited to participate?
……………………………………………………………………………………………………
……………………………………………………………………………………………………
…………………………………………………………………………………………………..

Would it be appropriate to co-opt anyone on to the Task Group whilst the Scrutiny exercise is being carried out?   YES/NO

If so who and from which organisations?
....
....

Signed …………………………………………………………….

Councillor…………………………………………….…

Date………………………………………………..

BROMSGROVE DISTRICT COUNCIL

EXECUTIVE CABINET

19TH OCTOBER 2005

DELEGATION FOR TEMPORARY STOP NOTICES

Responsible Portfolio Holder	Councillor Mrs. M. M. T. Taylor
Responsible Head of Service	Peter Allen, Interim Head of Planning and Environment Services

1. **SUMMARY**

1.1 This report proposes a process to allow for officer delegation in issuing and serving Temporary Stop Notices to permit rapid action to be taken where the contravention of planning controls is considered likely to occur or has already occurred.

2. **RECOMMENDATION**

2.1 That Members:
   1. Support the principle of officer delegation for issuing and serving temporary stop notices;
   2. Support the process identified in the report for authorisation of such notices
   3. Recommend that this process is reported to Standards Committee and Council for agreement.

3. **BACKGROUND**

3.1 The Planning and Compulsory Purchase Act 2004 introduced legislation which permits local authorities to issue 'temporary stop notices' where the local planning authority considers there has been a breach of planning control and where, in order to safeguard the amenity of the area, it is necessary that the activity stops immediately.

3.2 This procedure provides a more rapid means to react to inappropriate activity, unlike the normal stop notice procedures, because it is not dependent on an enforcement notice being issued previously. It is specifically intended to be used where a developer is in breach of planning conditions

3.3 A 'temporary stop notice' takes effect immediately it is served and lasts for 28 days unless the local authority withdraws it earlier. During this period the local authority can take steps to serve an enforcement notice and permanent stop notice if circumstances warrant it.

3.4 The notice can be applied to all or part of a site or to a particular activity on part of a site or which takes place intermittently or seasonally.

3.5 It is an offence if a person contravenes a 'temporary stop notice' and subject to a fine of up to £20,000 on summary conviction and, on conviction on indictment, to an unlimited fine.

3.6 Although a person affected by such a notice can make representations to the local planning authority there is no right of appeal to the Secretary of State. However, the validity of a notice can be challenged by judicial review.

3.7   A person may be entitled to compensation only if:

      a)   the activity specified in the notice was the subject of an existing planning permission and conditions attached to that permission have been complied with;

      b)   it is permitted development;

      c)   the local planning authority later issues a lawful development certificate;

      d)   the local planning authority withdraws the temporary stop notice for some reason other than because it has granted planning permission for the activity after the issue of the temporary stop notice.

3.8   Guidance to this legislation points out the importance of having clear administrative instructions about the respective responsibilities of the local authority's planning and legal departments. This includes the process for obtaining proper authorisation to initiate a temporary stop notice.

4.   PROPOSED PROCEDURES

4.1   The initiation of a temporary stop notice will normally arise through one or more of the planning department's activities e.g. development control, enforcement, tree or conservation interests etc. It is proposed that the relevant Section Head should initially consider the need for such a notice and, if he/she concurs, seek the agreement of the Head of Legal Services.

4.2   Providing there is officer endorsement for a notice, permission should then be sought from the Chair or Deputy Chair of the Planning Committee or, in their absence, the Leader or Deputy Leader of the Council.   A record should be made of this authorisation trail.

4.3   A relevant officer should then prepare the necessary paperwork and plan to be served. A record of the serving of a temporary stop notice should be recorded and any relevant council officer informed.

5.   FINANCIAL IMPLICATIONS

5.1   There are no financial implications as a direct result of this process which can be contained within existing budgets. A cost to the Council could arise if a notice is inappropriately served on a person or if a successful challenge to a notice is pursued in the High Court. It is not possible to indicate what costs might be awarded against the Council.

5.   LEGAL IMPLICATIONS

5.1   This process is covered by the Town and Country Planning Act 1990 as amended by the Planning and Compensation Act 1991 and the Planning and Compulsory Purchase Act 2004.

5.2   The initiation of a temporary stop notice may require the subsequent issuing of an enforcement notice and the serving of a full stop notice.

Background Papers

ODPM Circular 02/2005 - Temporary Stop Notice

Contact officer

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BROMSGROVE DISTRICT COUNCIL

EXECUTIVE CABINET

19TH OCTOBER 2005

PRIORITIES 2006/07

Responsible Portfolio Holder	Leader of the Council
Responsible Head of Service	Chief Executive Officer

1. **Summary**

   1.1. To agree the priorities for the Council for the forthcoming municipal year in order that they drive the review of the medium term financial plan, the organisational restructuring and the development of service business plans.

2. **Recommendations**

   2.1. It is recommended that Executive Cabinet recommend to full Council the acceptance of the priorities as outlined at section 6.

3. **Background**

   3.1. An awayday was held on 26th September 2005 between members of the Executive Cabinet and the Strategic Management Team in order to shape priorities for the forthcoming year that would drive the budget process, the organisational restructuring and the formulation of service business plans. The agenda for the day was "To consider Bromsgrove's vision and criteria for priorities." The notes of this meeting are attached at Appendix A. This paper outlines the conclusions of the day and recommends that the Executive Cabinet formally endorse the priorities for the next municipal year and recommend their adoption to full Council.

   3.2. The Bromsgrove Vision is:

   'Bromsgrove district will be an attractive, clean, healthy, safe & prosperous District where an improving quality of life is enjoyed by all.'

   Underpinning that vision are six objectives:

   ➢ To make a major contribution towards achieving a healthy, caring, socially aware community;
   ➢ To provide a clean, safe and attractive environment;
   ➢ To protect and improve our environment and promote sustainable communities;

> To foster and sustain a strong and expanding economy;
> To provide sustainable culture and leisure opportunities;
> To be an efficient and effective Council.

3.3. The Council deliberately has objectives spanning the life of the Corporate Plan but accepts that priorities will need to be explicit for the next year/s. For information the definition of objectives and priorities is as follows:

> **Objectives** - are the broadest statements of what the organisation chooses to accomplish.

> **Priorities** - Key areas of policy for focussed attention during a given term. They highlight key areas where improved results are sought.

3.4. The following criteria for priorities was agreed for the duration of 'Voluntary Engagement' in descending order of importance:

1. To achieve recovery by March 2007.

2. To fulfil statutory duties and 'sensitive' areas adequately.

3. 'Putting Bromsgrove first'.

4. What cannot be afforded to focus on the above?

3.5. With this in mind the following is an assessment of how the Recovery Plan priorities fit with the Council's objectives.

> **To make a major contribution towards achieving a healthy caring and socially aware community.**

This accords with the implementation of the Street Scene and Waste Management Strategy and an effective Revenues and Benefits service and Strategic Leadership, within the Recovery Plan.

> **To provide a clean safe attractive environment.**

This is a major element of the Recovery Plan with the implementation of the Street Scene and Waste Management Strategy, under Service Improvement.

> **To protect and improve our environment and promote sustainable communities.**

This in part is the implementation of the Street Scene and Waste Management Strategy, Strategic Leadership and Communication and Consultation.

> **To foster and sustain a strong and expanding economy.**

This does not qualify as an initial priority within the Recovery Plan.

> **To provide sustainable culture and leisure opportunities.**

This does not qualify as an initial priority within the Recovery Plan.

> **To be an efficient and effective Council.**

This is a strong component of the Recovery Plan including: - Financial Planning, Organisational Development, Performance Management, Risk Management, Procurement and Communication and Consultation. Under this objective the Council also need to consider investment in ICT as a means of achieving the Government targets, as a means of achieving efficiency savings for the Council but also as a key component of recovery.

3.6.   It is recognised that priorities are short term and areas of non priority will change beyond the Recovery Period and may become a priority in the future to achieve the long term objectives of the Council.

3.7.   The Council within its self assessment for the Progress Assessment has promised that it will have achieved recovery by **March 2007**. This means that it is within this single next financial year that this must happen. As demonstrated above the achievement of recovery hits four out of the six objectives of the Council.

4.   Outcomes

4.1.   It is considered best practice that when an organisation agrees priorities it also defines some measurable outcomes that can be used to asses whether the priorities have been achieved or not. In order to achieve the Recovery Plan it is suggested that the following measures be adopted:

Recovery Plan area	Desired outcome
Strategic Leadership	> Member Development programme in place - members training needs satisfied > Corporate plan revised and assessed as fit for purpose > Council's constitution reviewed and council meetings operating more effectively
Organisational Development	> Organisational structure aligned to becoming a modern council and delivery of priorities > Workforce development plan in place > All staff receive appraisals and receive appropriate development opportunities

	➢ Improved morale of employees as measured by employee survey
Performance Management	➢ Performance Management Board operating effectively
	➢ Key performance indicators identified and targets for these achieved
	➢ Service business plans in place for all service areas
	➢ All staff receive appraisals
	➢ Targets in place for all staff that are regularly monitored
	➢ Performance and financial management linked
Risk Management	➢ Risk Management strategy in place
	➢ Strategic, Corporate and Departmental risk registers in place and constantly reviewed
	➢ Risk Management embedded within organisation and part of everyday business
Procurement	➢ Procurement strategy in place
	➢ Efficiency savings achieved through procurement
Communication and Consultation	➢ Communication strategy in place
	➢ Increase in numbers of staff (measured through employee survey) that feel communication works well
	➢ Increase in numbers of members (measured through survey) that feel communication works well
	➢ Increase in numbers of members of public (measured through survey) that feel communication works well

Service Improvement (Depot)	➢ Defined service standards for improvement and performance responding to public consultation ➢ A sound forward plan setting milestones for the future comprising incremental achievement and an accompanying capital programme. ➢ Budgetary competence demonstrated by a sound budget and monitoring controls for 2006/7 and beyond. ➢ The evidence of comparative benchmarking to demonstrate VFM. ➢ Embedded performance management throughout the organisation
Financial Planning	➢ Clarity around financial position of authority. ➢ Members and officers assessed as financially competent ➢ Robust systems of internal control in place ➢ Effective financial management budget monitoring ➢ Improved score on Use of Resources judgement under CPA
Revenues and Benefits service	➢ Improvements in collection rates for Council Tax and NNDR ➢ Self assessment against BFI shows improvement

4.2.   As stated above the 2nd priority for the Council is recommended as fulfilling adequately the statutory duties and areas of sensitivity to the people of Bromsgrove, identified as follows:

➢ **Environmental Crime**

   Addressed in the Street Scene and Waste Management Strategy but regarded as both high profile and statutory.

> **Planning and Environment**

Recruitment and Retention represents a major issue to maintaining performance with implications for the new structure through competitive levels of pay.

Increased capacity of enforcement is required for the effectiveness of both planning and environmental services.

This impacts on increased legal capacity to enable prosecutions.

> **Strategic Housing Function**

It is acknowledged that the Council needs to invest additional resources in this area to address its statutory functions.

> **Street Scene and Waste management**

Most areas are statutory with current standards recognised to be deficient but corrective investment arises in the Street Scene and Waste Management Strategy.

> **Implications on support services**

It is also worth noting that whilst it isn't a specific area for recovery the Legal Section is in need of significant investment in order that it can support the rest of the Council in its journey of improvement. Other statutory function such as enforcement will also have an impact on legal services.

> **Children's' Services and CDRP.**

> **Outcomes**

5. **Putting Bromsgrove First and Local Area Agreements**

5.1. The Worcestershire's Local Area Agreement covers the following four stanchions:

> Children and Younger People
> Health and Older People
> Community
> Economic Development and transportation

5.2. The redevelopment of the Town Centre was recognised as a high local priority for the fourth stanchion.

5.3. It is felt that the Worcestershire's Local Area Agreement should be supported where it offered opportunities to Bromsgrove either in the form of additional resources, improved outcomes or where other agencies could contribute to the provision of services. (It was noted that the LAA is due to commence in April 2006.)

6. **Priorities**

6.1. In conclusion it is recommended that the Council priorities for the 2006/07 municipal year are as follows:

1. To achieve recovery by March 2007.

2. To fulfil statutory duties and 'sensitive' areas adequately.

7. **<u>Non Priorities</u>**

7.1. In developing the budget resources need to be driven by corporate priorities in the medium term financial plan. It is recognised that the Council is likely to be cash constrained to afford the first priorities. The option of delivering the priorities will be a choice of increasing the Council tax or making room for what the Council wants to do within current resource levels.

7.2. An exercise was undertaken where Members reviewed a list of functions/services undertaken at the moment and recorded their assessment of importance to act as criteria for reduction or deletion of current operations. This is shown at Appendix 2 and it is recommended that this is used in the revision to the medium term financial plan.

8. **<u>Financial Implications</u>**

8.1. Included in above.

9. **<u>Legal Implications</u>**

9.1. None.

10. <u>Other Sub Headings</u>

10.1. None.

11. <u>Background Papers</u>

Priorities away day

<u>Contact officer</u>

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BROMSGROVE DISTRICT COUNCIL

MEMBER PRIORITIES AWAY DAY

26th SEPTEMBER 2005

HILLSCOURT CONFERENCE CENTRE

<u>Present</u>: Councillors D. C. Norton, Mrs. M. M. T. Taylor, B. L. Fuller C.B.E. Q.F.S.M. and Mrs. J. M. L. A. Griffiths. Ms. S. Nixon, Mr. K. Dicks, Mr. C. Savage, Mr. H. Joshua, Mr. H. Bennett, Ms. J. Pickering, Mr. C. Morrison, Mr. P. Street and Ms. K. Firth.

SESSION 1 - CORE PRIORITIES

The following criteria were agreed as the Council's Core Priorities for 2006/07 in the order indicated:

1. Recovery Plan (to achieve recovery by March 2007)
2. Statutory Functions (subject to risk assessment of what duties need to be provided and & at what level)
3. Community Needs (arising from the Corporate Plan or from political judgement)
4. Non-Priorities

It was agreed that the Corporate Plan was a rolling programme which would be subject to modification, as appropriate, over time. Attention was also drawn to the need for robust information/processes as key factors to be addressed as these underpinned various service areas.

SESSION 2 - RECOVERY PLAN PRIORITIES

Key priorities for the Recovery Plan were as follows:

1. (a) Street Scene & Waste Management

   Decisions needed to be made on how to implement the new Strategy. It was suggested that there needed to be a culture change within the Council to make more lateral use of staff in other Departments to report street scene issues direct to the Depot. In order to satisfy the Audit Commission/Monitoring Board, there was a need for improved services to the public which met minimum standards, financial accountability and good comparative performance.

   (b) Benefits

   An action plan had now been agreed. Further support would be provided by the BFI. Need for investment in staffing.

   (c) Finance

   Improvements were on course but VFM assessment needed to be done. Need for investment in financial awareness training.

2.   Modernisation
     (including procurement, risk management, performance management, constitution review, Member/officer relationships)

3.   Organisational Development & Culture

Attention was also drawn to the need to address the issue of legal resources which impacted across various services.

It was agreed that there needed to be further discussions on what needed to be done to achieve recovery by March 2007.

SESSION 3 - STATUTORY REQUIREMENTS

Members identified a range of statutory services that were currently provided to some degree. In some areas this was not well enough. The following came within the remit of the Recovery Plan:

Refuse/recycling
Benefits & Revenues
Cleanliness
LSP
Governance
S151 Responsibilities

The following statutory requirements were identified as not being done:

Clinical waste collection
Bio diversity/ecology
Water courses

Leisure services/facilities were identified as a particular 'pinch point'.

Members agreed that the following be agreed as priority areas for officers to look into:

- Environmental Crime
- Health & Safety at Work
- Private Sector Housing
- Enforcement (across the board)
- Capacity issues (including IT processes)
- Competitive salaries

SESSION 4 - CORPORATE PLAN PRIORITIES AND COMMUNITY NEEDS

The Chief Executive gave a short presentation on Local Area Agreements (LAA) which focused on the following four themes:

Children and Younger People
Safer and Stronger Communities
Health and Older People
Economic Development and Enterprise

With regard to the Corporate Plan, Members were asked to give views on what Community Needs should be addressed - "Putting Bromsgrove First". The following comments were made:

LAA
- Regeneration & redevelopment of the Town Centre (10 year+ plan)
- Technology Belt/enterprise opportunities
- LAA does not detract from BDC's key priorities. Where co-operation brings benefits, the Council should get involved as appropriate
- Can S106 monies be used creatively for play and leisure opportunities to improve life chances (including Liveability) *(Children & Younger People theme)*
- Passport to Leisure *(Children & Younger People/Health & Older People themes)*
- Extension to CCTV *(Safer & Stronger Communities theme)*

Electorate Aspirations
- Dolphin Centre Phase 2 (especially income generation and partnership opportunities)
- Transport issues e.g. Railway station - need to influence (by providing benefit to the Technology Belt?)
- Reduction in Council Tax
- Grants
- Concurrent Functions

SESSION 5 - NON-PRIORITIES

The following criteria for the Council's non-priorities for 2006/07 were proposed:

1. The Council's Priorities (as set out under Session 1 above).
2. Any service or function not covered by or directly contributing to the above, are non-priorities.
3. The Council will expect all service areas to demonstrate
   - efficiency savings
   - initiatives generating a net income.
4. Investment to improve services will be considered for priority areas. Non-priority areas will be expected to generate net savings.

Members indicated which services should score 1 (high priority - invest and improve) as shown on the attached Appendix. It was agreed that officers look at those services not ranked 1 and report back on options to maintain or reduce the budget in the light of comments made by Members. Officers would also review the restructuring proposals in light of the steer given by Members.

Member Priorities

1 - high priority - invest and improve

Service	Score	Comments
Planning Development	1	Development Control Officers
Planning Enforcement	1	
Building Control		
Tree Officer		
Conservation Officer		
Land Charges and Searches		
Planning Administration		
Environmental Health Officers - Commercial	1	
Environmental Health Officers - Other	1	
Health and Safety	1	
Pest Control		
Dog Warden		
Environmental Control Enforcement	1	
Environmental Health Licensing		
Environmental Health Administration		
Economic Development		
Start Up Grants		
Chamber of Commerce Grant		
Economic Development Administration		
Car Parks		
CCTV	1	
Domestic Refuse Collection - normal	1	Includes recycling
Domestic Refuse Collection - narrow streets et al		
Trade Waste		Should be self-financing
Street Cleansing	1	
Litter Control	1	
Dog Fouling	1	
Graffiti Removal		
Chewing Gum Removal		
Grounds Maintenance	1	
Cesspit Emptying		Should be self-financing
Taxi Testing		Should be self-financing
Garage for Vehicle Maintenance	1	
Street Furniture		
Warehouse		
Street Lighting	1	
Depot Administration	1	

Service	Score	Comments
Shop-mobility		
Life Line		
Concessionary Fares		
Homeless	1	
DFGs	1	
Home Repairs		
Housing Strategy	1	
Hostels		
Caravan Site		
ASB Officers		
Wardens		
Community Safety	1	
Sports Development		
Club Active		
CAB		
Housing enabling	1	
Amphlett Hall		
Bonfire		
Bandstand		
Christmas Lights - Bromsgrove		
Christmas Lights - Rubery		
Bromsgrove Festival		
Street Theatre		
Cemeteries		
Parks		
Public Open Spaces		
Play Areas		
Sanders Park		
Sports Facilities		
Allotments		
Leisure Marketing		
Leisure Administration		
Tourist Information Centre		
The Market Hall		
The Spadesbourne Suite		
The Dolphin Centre Phase 2		Highly desirable ('pinch point')
Haybridge		
Woodrush		
Democratic Services		} Need to be reviewed/rationalised
Members Services		}
Committee Services		}
Secretarial Services		
Reception and Telephonists		
Reprographic Services		

Service	Score	Comments
Property Services		Review how we deal (in hand)
Licensing Services		Need to review
Legal Services	1	
Financial Accounts	1	
Income and Exchequer		
Payroll		
Audit		
Procurement	1	
Revenues/ Benefits/Fraud	1	
HR	1	
IT	1	
Customer Service Centre		
Corporate Policy Unit		
Engineering and Architectural Services		
Press Office (change to Communications)	1	Review as part of Communications Strategy
Artrix		No cuts
SMT		
OMT		

Notes:

To be added

Training (including Member Development)   1

Street Scene Strategy
- Replacement Fund   1
- Community Pride Wardens

BROMSGROVE DISTRICT COUNCIL

EXECUTIVE CABINET

19TH OCTOBER 2005

SHARED SERVICES

Responsible Portfolio Holder	Portfolio Holder for Finance
Responsible Head of Service	Corporate Director (Resources)

1. Summary

1.1. To agree the way forward for the Council with regard to shared services.

2. Recommendations

2.1. It is recommended that Executive Cabinet:

2.1.1. endorse the approach to Shared Services as set out in the report;
2.1.2. agree to do further work with regard to Revenues and Benefits;
2.1.3. don't pursue, at this moment any further work with regards ICT as a shared service;
2.1.4. don't pursue at this stage any work on the Worcestershire Hub as a shared service;
2.1.5. endorse the approach to the key issues as set out at section 7; and
2.1.6. agree to pursue the feasibility of a shared service with regard to procurement.

3. Background

3.1. As members will recall some months ago the Council agreed to look into the feasibility of shared services across a number of service areas. Initially there were seven areas identified:
   ➢ Revenues and Benefits
   ➢ ICT
   ➢ Payroll
   ➢ HR
   ➢ Out of Hours
   ➢ Licensing
   ➢ Procurement

3.2. At that time the definition of Shared Services was that a single entity would be created for the delivery of each element of those services from a single location but which had:

   ➢ Shared Vision
   ➢ Shared Leadership
   ➢ Shared Management

> ➤ Shared Resources
> ➤ Common control & monitoring
> ➤ Common systems & processes
> ➤ Local Champions
> ➤ Shared funding
> ➤ Shared rewards

3.3. In order to drive the Shared Services agenda forward a Steering Group was formed (constituted along the same lines as that for the Worcestershire Hub) - I am this Council's representative on that group.

3.4. In addition to the Steering Group a Shared Services Board was established (again along the same lines as the Worcestershire Hub) that involves a member and an officer from each authority. From an officer side I fulfil this function and the members role is undertaken by Councillor Hollingworth.

3.5. Since the Steering Group was formed there has been an eighth work stream added, that of Waste Management - limited work on this has been done to date.

3.6. The Steering Group agreed to focus its attention on the development of an outline business case for shared services on Revenues and Benefits and ICT. The ICT work covered all ICT services not just procurement and some elements of joint working as was originally suggested. The outline business cases for each of these has now been completed and the way forward is the main focus of this report.

3.7. It should be noted that during the formulation of these outline business cases and in particular that for Revenues & Benefits the definition of Shared Services has changed. This revised definition is detailed in the following section of this report.

4. <u>Revenues and Benefits</u>

4.1. External assistance for the production of the business case was provided by PWC. This work was funded by the Worcestershire Centre of Excellence and was commissioned on behalf of the Partnership by Malvern Hills District Council. Officers from Bromsgrove District Council have been key players in the formulation of the business case and I believe have substantially improved it since the first draft was produced. An executive summary is attached at Appendix 1.

4.2. The outline business case indicates revenue budget savings across the six districts of about £1m per year on current spending of about £11m per year. The spread of annual savings varies significantly between the districts, from about £0.3m in the case of Bromsgrove to £0.1m for Redditch, and one district (Wychavon) could incur slightly more costs. These figures are based upon an initial approach to cost-sharing that will need to be reviewed as part of the detailed business case and in the context of other potential shared services. There is scope for remodelling the allocation of revenue costs with a view to making the outcome attractive to all.

4.3. The above business case was presented to a meeting of Chief Executives and Leaders on 29th July 2005.

4.4. As demonstrated above the Outline Business case shows an annual saving of £0.3m for Bromsgrove and it is with this in mind that it is recommended that we continue to contribute (through staff time) to the formulation of a more detailed business case.

4.5. During the development of the Outline Business case discussions took place as to the impact of the original Shared Services definition on the practical issues of service delivery. These led to a re-definition in relation to this service area as follows:

➢ A single public body
➢ A single location
➢ Shared vision
➢ Shared leadership
➢ One member authority employing all staff
➢ Single terms and conditions
➢ Shared management
➢ Common control & monitoring
➢ Distinct teams of staff delivering member authority services to member authority performance requirements
➢ Initially multiple ITC solutions moving to common ones in due course

4.6. It is with both the original and this revised definition in mind that the Council's position with regard to Shared Services should be confirmed.

5. ICT

5.1. External assistance for the production of the business case was provided by iMPOWER. This work was funded by the partnership from contributions made by all council's - Bromsgrove contributed £20,000. The work was commissioned on behalf of the Partnership by Wychavon District Council. Officers from Bromsgrove District Council have again been key players in the formulation of the business case. An executive summary is attached at Appendix 2.

5.2. Based on the current set of assumptions in the business case model, the financial case for a single shared service for ICT is in overall terms positive after allowing a pay-back period of 4 years. The financial case is however marginal for some of the partners and could be sensitive to a change in some of the core assumptions. Bringing ICT provisions together as a shared service would involve an invest to save approach with set-up costs in terms of accommodation, staffing, infrastructure and core systems leading to subsequent efficiency gains in these areas. A shared approach to providing ICT services could help improve capacity particularly for the smaller partners to deal with the ever expanding e-government agenda.

5.3. The business case shows that simply bringing ICT services together in a shared service organisation won't deliver the kind of savings that were envisaged as a result of the scoping work by Deloittes last summer. ICT is an enabling service and a shared service approach to delivering services will only work if ICT clients use a common platform for the key groups of software system. Each partner will need to accept that the impact of a shared service arrangement for ICT would be council-wide and not just limited to the ICT function.

5.4. The above business case was presented to a meeting of Chief Executives and Leaders on 29th July 2005.

5.5. It is with the above in mind that it is recommended that the Council does not pursue further work at this stage with regard to shared services for ICT but that it does strongly pursue a joint working agenda which it is thought may lead to a potential for shared services in the future. Some of the areas that it is suggested that we look at jointly are as follows:

- ➢ Network Infrastructure
- ➢ Network Management
- ➢ Business Continuity
- ➢ Security
- ➢ Standards
- ➢ ICT Procurement
- ➢ Helpdesk
- ➢ Web Developments
- ➢ GIS Developments
- ➢ User Training
- ➢ ICT Staff Training
- ➢ Digital Printing
- ➢ eForms Development

5.6. One of the main areas that will enable ICT to be seriously looked at as a shared service is the procurement of single systems - e.g., one system for revenues and benefits across all of the districts. It is suggested that when current systems are replaced we look to procure a single system for the whole of the County. This is a very easy comment to make but obviously very difficult to achieve in reality due not only to different end dates for current contracts but also local circumstance however it is felt that this is something that we should move towards.

6. Worcestershire Hub

6.1. As members will be aware Bromsgrove are part of the Worcestershire Hub Partnership (the 6 districts in Worcestershire and the County Council) which has led to the successful opening and operation of the Service Centre.

6.2. The opening and operation of the centre has not been without its difficulties with one of the main frustrations being the lack of consistency of service delivery across the partnership. This lack of consistency covers not only the services provided but the degree to which those services are provided e.g. at Bromsgrove we try to do more in the CSC with regard to benefits applications than any other service centre.

6.3. Members will also be aware that the ultimate vision for the Worcestershire Hub is that members of the public can go into, or call any of the Service Centres and access information or undertake transactions that may not be the responsibility of that District Council i.e., go into Malvern Hills service centre and ask about refuse collection in Bromsgrove.

6.4. When the Revenues and Benefits and ICT outline business cases were presented to Chief Executives and Leaders on 29th July 2005 it was suggested that there would be merit in joining Revenues and Benefits, ICT and the Hub as a single shared service. This proposal was put to the Shared Services Board on 31st August 2005 where it is fair to say that this approach was not agreed to and an outcome of that Board was for each authority to go back and confirm or otherwise their commitment to shared services.

6.5. Officers views on shared services with regard to Revenues and Benefits and ICT are detailed above and no justification can be seen in joining the 3 together and progressing them. It is firmly believed that Worcestershire Hub Partnership needs to take far greater ownership of the Hub as an entity and strive for consistency of service delivery. It may need for the Partnership Board to be given "more teeth" in order to do that but we are convinced that significant improvements can be made without pursuing this as a shared service. Once there is the consistency of service delivery we can revisit whether a shared service makes sense either collectively with other service areas or for the hub on its own. It is the view of officers that approaching the shared service agenda for all 3 areas together would take a significant amount of time and resource and is therefore not recommended.

7. **Key issues which the Steering Group consider should either be resolved or acknowledged at this critical stage**

7.1. A considerable amount of time was spent at the Steering Group on 26th August 2005 in discussing a paper prepared by Worcester City which is the one District Council where Members have indicated that a decision on proceeding with shared services must be made "by September 2005". This is because the City Council's budget for 2005/6 and following years and AES statement to government has predicated significant savings from shared services or other partnership arrangements. It was the unanimous view of the Steering Group that the following issues need to be addressed, I have included from my perspective the position that I think Bromsgrove District Council should adopt.

> ➢ **Is there a problem for any authority in moving to one location for Revs and Bens if this is out of their district? Similarly for ICT back office? Should these two be co-located?**
>
> *It is not felt that there is a problem from an operational point of view on Revenues and Benefits as to where the shared service is provided from as the "front face" will always be through the Customer Service Centre. As regards IT if we were to pursue this we would obviously need a local presence. Co-location is not felt to be an issue that needs addressing at this stage.*
>
> ➢ **Are there going to be any issues about residual support service costs as a result of transferring these 2 areas to shared services? This needs to be investigated urgently to prevent further wasted effort if it is going to be a deal breaker. This is particularly so if the suggested saving of 50% support costs to the SSO actually materialises.**
>
> *There is a significant issue with regard to residual support services and it is essential that any business case is financially robust and takes these into account.*
>
> ➢ **Agreement in principle on how costs and benefits are going to be shared.**
>
> *It is the view of officers that this should, very simply reflect the service received.*
>
> ➢ **Early and open communication and dialogue with the unions and staff about what is proposed - these is clearly not taking place across the County at present. We need to develop a common newsletter for communication to everyone.**

Agreed - we have started this by sending a letter to all staff outlining the current position. This is also regularly discussed at Union Liaison meetings.

➢ **The Worcestershire Hub is crucial to the proposed Revs and Bens Shared Service and a very important area for ICT. Is there agreement to develop this as a true shared service, in particular to develop a more uniform approach to how things are delivered in the Hub and how it should be extended? This should involve reviewing and developing the original Business Case.**

See comments above at section 6.5.

➢ **Governance issues - this applies whether we are talking about a joint committee or a company. What size are we talking about? (nb those authorities operating executive arrangements can only appoint executive members) What are the voting arrangements? What issues have to be decided unanimously and what can be decided by majority vote? Presumably only districts will vote on district matters such as Revs and Bens? On matters where the County are involved (e.g. ICT) do they get a weighted vote to reflect their significantly greater size?**

This should be addressed as part of the more detailed business case.

➢ **Risks - there are significant risks in each of these as individual projects but even more so if they are running together. Do we all understand and commit in principle to accept those risks? The issue of securing commitment and loyalty from the workforce during the run down of the old arrangements and setting up of the new is a particular concern.**

This should be addressed as part of the more detailed business case.

➢ **Affordability - are we all happy to accept and can afford to implement the invest to save approach which both OBCs involve?**

Yes with regard to Revenues and Benefits (subject to the detailed business case).

➢ **Do we agree to accept an embargo on investment in these areas which does not conform to the Shared Services approach and a similar approach to staff vacancies in these areas to avoid redundancies? Need to ensure that any future procurement is in line with the SSO approach and can be extended to the other partners.**

With regard to Revenues and Benefits and the need for significant improvements (following the BFI Inspection) in that service area it is not felt that this Council can commit to this - this is fundamental to our recovery plan and to sign up to this could lead to a direction from the Secretary of State or indeed intervention.

➢ **Do we all agree to make the implementation of these projects corporate priorities and accept that there will be knock on effects on our ability to implement other projects until these are up and running?**

Again given the position the Council is in with regard to Recovery then it is not felt that the Council can give its absolute commitment to this. It is felt that the Council should play a full part in the shared service agenda in order to ensure efficiencies and improved service delivery but not at the expense of the recovery plan

8. Procurement

8.1. As mentioned earlier one of the initial workstreams was procurement, however it is fair to say that whilst some good joint working has been undertaken the shared services agenda has not really moved forward, this is partly because the County Council can't see the merit in progressing this. We have had initial discussions with 4 of the other districts all of whom seem very keen. It doesn't include Wychavon at this stage as they couldn't see much merit in it.

8.2. We are keen as officers to pursue this agenda and as such have developed a proposal which will be submitted to the next shared services steering group - this is attached at Appendix 3. It is recommended that Cabinet endorse this approach.

9. Conclusion

9.1. In conclusion the Council remains extremely committed to identifying efficiency savings that can be reinvested for further improvements to service delivery and as such is keen to explore the shared service agenda. Based on the initial work done to date the Council will:

➢ agree to do further work with regard to Revenues and Benefits;
➢ not pursue, at this moment any further work with regards ICT as a shared service, but will actively explore opportunities for joint working;
➢ not pursue at this stage any work on the Worcestershire Hub as a shared service, but will actively drive the need for consistency of service delivery;
➢ pursue the feasibility of a shared service with regard to procurement.

9.2. The Council will, subject to a proven community and financial business case, sign up to a shared service for revenues and benefits.

10. Financial Implications

10.1. The Council has invested £20,000 in the partnership to pursue shared services.

10.2. Within its Medium Term Financial Plan the Council has assumed, for 2006/7, savings of £30,000 and for 2007/8 savings of £50,000. With the current position on shared services it is unlikely that the savings for 2006/7 will be achieved and this will need to be reviewed as part of the MTFP.

11. Legal Implications

11.1. None.

12. Other Sub Headings

    12.1. None.

13. Background Papers

Shared Services

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Worcestershire Revenues and Benefits Shared Service

Outline Business Case - Executive Summary

Introduction

1 The purpose of the outline business case (OBC) is:

"To establish the business case for a single body for the administration and management of the revenues and benefits services for all of the district councils in the county of Worcestershire."

2 The business case also explores the advantages and disadvantages of adopting different approaches and governance arrangements, including phasing in the involvement of partners over time.

3 A project board consisting of representatives of the six district councils has overseen this work. PricewaterhouseCoopers LLP (PWC) were contracted to provide external assistance and write the OBC. The project board adopted an inclusive approach by involving all of the relevant managers from each of the councils and other professional disciplines. The county council was not directly involved in this work, but was kept aware through regular reports to the steering group and programme board.

4 The OBC covers the following aspects: the strategic case, the economic case, the customer case, the financial case, the commercial case, and the project case.

Overall conclusions

5 There is a strong strategic case for a Shared Services Organisation (SSO), given that it fits well with the local commitment to partnership working across the county as well as central government policy. Provided that issues of service quality and governance are adequately addressed, it will also meet the needs of the district and county councils.

6 The financial case holds good, with revenue budget savings across the six districts of about £1m per year on current spending of about £11m per year. The spread of annual savings varies significantly between the districts, from about £0.3m in the case of Bromsgrove to £0.1m for Redditch, and one district (Wychavon) could incur slightly more costs. These figures are based upon an initial approach to cost-sharing that will need to be reviewed as part of the detailed business case and in the context of other potential shared services. There is scope for remodelling the allocation of revenue costs with a view to making the outcome attractive to all.

7 The OBC depends on a number of key assumptions, almost all of which are on a 'worst-case' basis. The main assumptions in the OBC were:

- reductions in ICT costs through using common systems and support
- reductions in managerial and supervisory staff to a level below the current level, but above typical private sector practice (as advised by PWC)
- no reductions in operational staffing levels
- no reductions in support service costs
- no benefits from business process change
- no reductions in office accommodation costs

- • no gains from carrying out other services (e.g. county council assessment work).

8   The assumptions are considered to be both reasonable and robust, having been discussed in detail with the revenues and benefits managers and with the finance managers.

9   The OBC identifies opportunities for making substantially more savings, and applies a sensitivity analysis to both business process change and support services. In each case further work is needed before the scale of the potential additional savings can be identified accurately.

10   Redeployment and/or severance costs have not been factored into the financial model. Further work will need to be carried out to identify the potential for such costs, although by concerted actions by the partners will enable them to be minimised. Similarly, if there is a quick and comprehensive move to a single location there will be costs associated with the relocation which will need to be built into the transitional budget.

11   No work has been carried out on estimating the potential savings from moving to a single location, even though that is the preferred management approach in the OBC. The nature of these services is such that there is significant potential for mobile working and home working, as well as the transfer of functions to the Hub. This was a relatively difficult issue for the project board to resolve, given the workforce management aspects.

12   Similarly, there was insufficient time or resources to estimate the benefits from carrying out additional work, such as debt recovery and/or other assessment services, or other councils' work.

13   The OBC assumes that there would be about £1.9m of investment to set the SSO up in terms of project and programme management and other transitional costs. Agreement will need to be reached on how that cost is shared between the partners. In addition, costs of about £2.5m have been identified for spending on ICT systems and equipment, all of which would need to be spent if there is no SSO.

14   Governance will be a critical determinant of whether the SSO works effectively in practice, particularly in terms of reflecting the role of members and ensuring that there is appropriate accountability and responsibility for how services are delivered.

15   The OBC concludes that the SSO needs to be run by a single body responsible for its governance, and that body needs to be empowered to employ staff and effect contracts with third parties, provided that these arrangements do not result in insurmountable issues from the other aspects of governance. The assumption is that there will be a lead authority, with appropriate indemnities in terms of liability that may create.

16   There are serious concerns that the service improvements achieved to date by the partner councils will be adversely affected, both in the short-term during the transitional period and, potentially, in the longer-term. These concerns will need to be addressed and assuaged.

17   The OBC shows that the SSO for these services would benefit significantly by a close integration with the Worcestershire Hub, and from the Hub operating as a single entity. The OBC raises this as a strong potential, but there was a lack time and resources to develop the thinking and modelling further.

18   Similarly, the SSO flags up the potential for the SSO to carry out a range of other

similar work for the partner councils, for example debt recovery and other means-tested assessments. Again, the lack of time and resources prevented this from being explored further.

Other conclusions

19   Programme and project management resources are critical to effective implementation of the modelled solution. The councils need to put in place proper project governance, either internally or externally, to manage that implementation. Inevitably, the partners' existing capacity will need to be augmented.

20   The partner councils have indicated that the preferred approach is a public sector solution for the public sector, and that they would prefer a single entity rather than a collaborative arrangement. Whilst collaborative working is attractive for some purposes there is a view that a more structured and consolidated approach is required for shared services in the future. Implicitly, therefore, this suggests a single entity solution.

21   The OBC concludes that common ICT systems should be employed as soon as possible, using an incremental approach to implementing the SSO's ICT needs. There is a need for the councils to agree a concerted approach to procurement from now on to ensure that money is not wasted or decisions taken that might work against the best interests of the SSO and the partners.

22   There are risks associated with this work that will need to be fully identified and managed, both initially and as implementation progresses.

23   EU procurement laws will need to be considered carefully. The partner councils would not, at this stage, want to go through a full EU procurement exercise in order to have the SSO able to discharge functions on their behalf.

24   The OBC demonstrates that the scope of the SSO should be drawn widely to capture maximum scale economies and service improvements, having regard to the role of the Worcestershire Hub. A combination of 'big bang' and incremental implementation should be deployed. The conclusion is that a joint committee should be used to effect governance from day one, but there is a potential advantage of moving to a joint venture ultimately.

ICT SHARED SERVICE FEASIBILITY STUDY

BACKGROUND
The Chief Executives' Panel established a Shared Services Steering Group consisting of a senior officer from each of the 7 local authorities in the Worcestershire Partnership to drive forward the shared services agenda.

The Steering Group has concentrated on two work streams - ICT and Revenues & Benefits - as there were too many to work on at the same time. A small pot of money was established to help with capacity issues in taking the agenda forward.

Sonia Rees, Deputy Managing Director at Wychavon, is the lead officer from the Steering Group for the ICT work stream. A small ICT Shared Services Project Board was established as follows:
- Sonia Rees - Shared Services Steering Group for Wychavon District Council
- Kevin Dicks - Shared Services Steering Group for Bromsgrove District Council
- Alan Woolliscroft - IT Manager, Worcestershire County Council
- Andy Taylor - IT Manager, Wychavon Council.

In consultation with the Steering Group, a company called iMPOWER was appointed to prepare the feasibility study. They were carefully selected to ensure they could genuinely add value to the process and were able to work in a collaborative way with the Project Board and the IT Managers' Group.

THE BRIEF
The feasibility study set out to establish whether there was a business case for a single shared service for ICT for the 7 local authorities in Worcestershire and how that vision could be achieved.

The working assumptions the Project Board gave iMPOWER that the partners would be looking for in a shared ICT service were that it would:
- be established relatively quickly;
- help realise benefits and savings in other services;
- be based in a single location but have local presence;
- publicly funded but separate from participating councils;
- offer high quality, improving ICT services;
- deliver savings for each partner; and
- offer good career development opportunities for staff.

THE APPROACH
The Project Board was looking for a fresh approach to preparing this feasibility study from iMPOWER. One of the key requisites was that iMPOWER establish their credibility with the IT Managers to encourage them to participate in the development of the business case. Effective communication with and support for the IT Managers through the stages of project set-up, data gathering, data analysis and report writing was essential.

THE REPORT

iMPOWER delivered the first draft of their final report including road map to the ICT Shared Services Project Board on time and complete on 13 July 2005.

A final draft of the report has been received and the ICT Shared Services Project Board feel that iMPOWER's first draft of their final report meets the brief they were given. Initial feedback from the IT Managers' Group also supports this view. The feasibility study also provides some other benefits for the partnership including:

- a robust business case model for ICT allowing assumptions to be changed and the 'bottom line' impact to be easily assessed;
- a flexible business case model that could be adapted for other potential shared service feasibility studies; and
- opportunities for collaborative purchasing.

THE FINDINGS

Overview - based on the current set of assumptions in the business case model, the financial case for a single shared service for ICT is in overall terms positive after allowing a pay-back period of 4 years. The financial case is however marginal for some of the partners and could be sensitive to a change in some of the core assumptions. Bringing ICT provisions together as a shared service would involve an invest to save approach with set-up costs in terms of accommodation, staffing, infrastructure and core systems leading to subsequent efficiency gains in these areas. A shared approach to providing ICT services could help improve capacity particularly for the smaller partners to deal with the ever expanding e-government agenda.

The business case shows that simply bringing ICT services together in a shared service organisation won't deliver the kind of savings that were envisaged as a result of the scoping work by Deloittes last summer. ICT is an enabling service and a shared service approach to delivering services will only work if ICT clients use a common platform for the key groups of software system. Each partner will need to accept that the impact of a shared service arrangement for ICT would be council-wide and not just limited to the ICT function.

Governance -additional challenges in this respect for a shared services organisation for ICT services compared to the Revenues & Benefits shared service proposal are:

- that the partners are not 'equal' - indeed one is bigger than the rest put together; and
- the need to separate ICT / client to encourage common approach to ICT by the client.

The governance arrangements for an ICT shared service will need to reflect these factors and it may not be possible to develop a 'one size fits all' approach. The report suggests two possible governance structures - lead authority model and local authority company model - and recommends the latter.

Location - the report suggests that ICT services could be delivered from fewer sites by co-locating staff. A reduction from 14 to 8 sites is possible whilst retaining a local presence in each district area.

Staffing - the report stresses the need for senior management to address the HR issues early including consultation with staff and the unions. Once detailed plans for a new organisational structure, core assumptions in the strategic business case on severance costs, pensions issues etc. will have to be reviewed.

Infrastructure & core systems -the first draft of the final report suggests it would be possible to rationalise core systems over a period of 3 years from 70 to 30 leading to procurement savings, licensing savings & lower training and support costs.

Road map - the first draft of the final report suggests a work plan to achieve the vision of a single shared service for ICT provision for the local authorities in Worcestershire.

Risks - the first draft of the final report also identifies the key risks for the partnership and partners individually. In summary, these are seen as:
- the reliance on other services to deliver savings;
- qualified commitment to shared services from some partners;
- perception of a County takeover;
- political view yet to be tested;
- shared services distracts from day to day operations;
- complex client / provider relationships;
- ability / willingness of software supplier market to respond;
- possible data protection issues for shared core systems; and
- management of residual costs.

THE EXPERIENCE
The experience of working with iMPOWER has been very positive. They demonstrated strong project management and organisational skills. They were particularly good at communicating and engaging with the key stakeholders to date - namely the IT Managers, the Project Board, the Shared Services Steering Group and the Chief Executives' Panel. Their report is concise, well structured and well presented.

Procurement Proposal - Shared Services

The Vision:

To provide a Worcestershire based Beacon procurement service for public sector organisations.

The way forward:

A Parallel Approach

1. To continue current joint collaboration.
   Work has already commenced on successful examples of collaborative buying. This work should continue through a schedule of collaborative opportunities.
2. Develop a fully shared service to include
   Shared Vision
   Shared Leadership
   Shared Management
   Shared Resources
   Common control & monitoring
   Common systems and processes
   Local champions
   Shared funding
   Shared rewards

The Proposal:

This covers both elements of the parallel approach as outlined above. Whilst the Steering Group and Working Group need to continue their current roles the work needed to be carried out to drive the whole proposal forward is likely to need dedicated resource acting on behalf of all authorities involved. The objective of this resource will be to develop the appropriate project and action plan for the parallel approach and to deliver an options study and fully developed business case for shared services.

The work involved in the parallel approach is as follows:

1. Continued Joint Collaborative buying.

- Determine a list of collaborative buying opportunities with each council.
- Identify a lead authority and officer to develop each buying opportunity and deliver the results.
- To develop a monitoring regime for collaborative buying that will keep opportunities under review and report on the achievement of results after the implementation of each opportunity.
- To report on progress and results achieved to the procurement Working Group.

2. Develop a Procurement Shared Service.

   To establish the current position:
   - To research and identify current procurement volumes, values, practices and procedures in each authority.
   - To research and identify current procurement resources in each authority.
   - To identify current areas of best practice and how these might be capitalised on within shared services.

   To establish where we need to be:
   - What is the most appropriate governance model for shared services, e.g. a joint committee or joint venture company.
   - How membership and control of and by that body would be determined.
   - To determine the most advantageous procurement model e.g. rigidity, the shared service carrying out all procurements, or, flexibility within a framework of control, shared services carrying out major or most procurements but with local procurement champions acting locally for special needs, the whole being monitored and controlled by the centre..
   - To determine the most advantageous structure e.g. a location within a lead authority or a new location.
   - To identify the appropriate staffing requirement e.g. specialist resource at the chosen location supported by local procurement champions within each authority.
   - To identify the most appropriate IT systems and procedures for procurement including 'e' procurement.
   - To identify and determine the costs and rewards mechanism for the service and its members.

   How to get there:
   - To develop and monitor a fully resourced and costed action plan for the achievement of the agreed shared services model.
   - To manage the activities within the action plan and to drive in the completion of the model.
   - To develop standard practices, documentation, rules and regulations, records and controls across the members of the model.
   - To ensure appropriate staffing and other resources are acquired by the shared service.
   - To develop the costs and rewards methodology and ensure it is acted upon.
   - To report progress and any necessary variances to the Working Group.

BROMSGROVE DISTRICT COUNCIL

EXECUTIVE CABINET

19TH OCTOBER 2005

PERFORMANCE MANAGEMENT BOARD - TERMS OF REFERENCE

Responsible Portfolio Holder	Councillor B. L. Fuller C.B.E. Q.F.S.M.
Responsible Head of Service	Harris Joshua - Interim Assistant Chief Executive

1.0 SUMMARY

1.1 The purpose of this report is to propose terms of reference for the Council's Performance Management Board.

2.0 RECOMMENDATION

2.1 It is recommended that the terms of reference and list of reports set out in Appendix 1 are adopted.

3.0 BACKGROUND

3.1 As part of its arrangements to put in place an effective Performance Management Framework, Executive Cabinet has agreed to establish a Member Performance Management Board.

3.2 This report sets out the terms of reference for that Board and the reports it will receive and consider. It also seeks to explain the rationale behind the remit and functions of the Board.

4.0 RATIONALE

5.1 The rationale behind the terms of reference and reports to the Performance Management Board is based on the following criteria:

1. that Executive Cabinet should be responsible for deciding what is to be done and the Performance Management Board responsible for ensuring that it is done;

2. that the Performance Management Board should be responsible for driving progress and performance across the Council - i.e. the 'big picture'. Where an issue needs to be examined in greater detail, this should be the responsibility of Overview and Scrutiny;

3. as is currently the case, Service Business Plans will continue to be approved by Executive Cabinet with Portfolio holders responsible for implementation. However, Heads of Service will be required to provide half yearly and annual progress reports to the Performance Management Board;

4.   that the Performance Management Board should have no responsibility for driving progress in respect of the objectives of the Recovery Plan as this is already covered by the Internal Monitoring Board, the Government Monitoring Board and Executive Cabinet.   However, when Voluntary Engagement ends, the Performance Management Board should be responsible for implementation of any Improvement Plan that may result from future CPA Assessment;

5.   that the Performance Management Board should have no responsibility for Audit functions within the authority as this could raise conflict of interest issues. Executive Cabinet will decide how the Audit function is to be discharged by Members at a later date;

6.   that the Performance Management Board should be responsible for driving implementation of any recommendations arising from Value for Money and Use of Resources assessments.

6.0   Financial Implications

6.1   There are no direct financial costs or budgetary implications.

7.0   Other Sub-Headings

Personnel Implications	None
Policy considerations	None
Equality considerations	None
Community Safety considerations	None
Governance/Performance Management Considerations	Included in report
Risk Management Considerations	None
Environmental Considerations	None

Background Papers

None

Contact Officer

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Performance Management Board

Terms of Reference

Purpose: To have overall responsibility for monitoring and driving performance improvement.

Status: Committee of Executive Cabinet with a membership of seven.

Remit

1.   To be responsible for Business Planning and Performance Management and to ensure that the process is an integral part of the Council's short and medium-term financial strategy.

2.   To monitor progress in achieving the Council's:

    (a)   Corporate Plan priorities and objectives;
    (b)   Performance Plan targets;
    (c)   Financial targets and performance against budget.

3.   To identify unsatisfactory progress or performance and make recommendations on remedial action to Executive Cabinet.

4.   To be responsible for the Council's Best Value Review Program.

5.   To consider and monitor implementation of the findings of Inspection and Best Value Review reports.

Proposed Reports	**Frequency**
Policy	
Business Planning and Performance Management - Framework and Process	Annual
Annual Business Planning/budget cycle	Annual
Best Value Program	Annual
Annual state of affairs and look forward report	Annual
Finance	
Capital spend to date/projected out-turn	Quarterly
Revenue spend to date/projected out-turn	Quarterly
Treasury Management	Quarterly
Performance	
Community Plan - Progress	Half yearly
Corporate Plan - Progress	Quarterly
Full Performance Plan PIs	Half yearly
Corporate Health BVPIs and LPIs	Bi-monthly
Key BVPIs and LPIs on Services	Bi-monthly
Business Service Plans - Progress Report	Half yearly
Review and Inspection Reports	
Audit Commission and other Inspection Reports	
Best Value Reviews	
Internal Management Review Report	
Value for Money and Use of Resources	