

# Overview and Scrutiny Board

12 January 2011

## Agenda

The Overview and Scrutiny Board will meet at the **SHIRE HALL, WARWICK** on **Wednesday 12 January 2011 at 2.00 p.m.**

The agenda will be:

### 1. General

#### (1) Apologies

#### (2) Members' Disclosures of Personal and Prejudicial Interests

Members are reminded that they should declare the existence and nature of their personal interests at the commencement of the item (or as soon as the interest becomes apparent). If that interest is a prejudicial interest the Member must withdraw from the room unless one of the exceptions applies.

Membership of a district or borough council is classed as a personal interest under the Code of Conduct. A Member does not need to declare this interest unless the Member chooses to speak on a matter relating to their membership. If the Member does not wish to speak on the matter, the Member may still vote on the matter without making a

#### (3) Minutes of the meeting of the Overview and Scrutiny Board held on 10 November 2010

## Part 1 Partnership Matters

### 2. Public Service Reform Task and Finish Group

Report of the Chair of the Task and Finish Group

The Board is asked to consider the recommendations of the Public Services Task and Finish Group for onward transmission to Cabinet.

#### Recommendation

That the Overview and Scrutiny Board considers the report and the recommendations for onward transmission to Cabinet

- (1) The Council should move towards a strategic commissioning model of operation and should clarify what this means in practice for the authority. It should also set out the principles and values which will underpin the model.
- (2) There should be a clear vision and transition plan to support the model so that service reconfiguration does not take place in a vacuum and opportunities lost.
- (3) Any proposals for trading, outsourcing, collaborative models should be supported by a proper business case and the key questions in paragraph 2.9 should be answered.
- (4) Proposals for collaboration should be based on what makes sense in service terms and not restricted to specific geographic areas 'Warwickshire' or the sub-region.
- (5) Work should be undertaken to explore the opportunities identified in Section 3.

For further information please contact Jane Pollard, Democratic Services Manager, Tel: 01926 412565 E-mail [janepollard@warwickshire.gov.uk](mailto:janepollard@warwickshire.gov.uk).

## Part 2 Council Matters

### 3. Public Question Time

Up to 30 minutes of the meeting is available for members of the public to ask questions on any matters relevant to the business of the Overview and Scrutiny Board.

---

The public reports referred to are available on the Warwickshire Web  
[www.warwickshire.gov.uk/committee-papers](http://www.warwickshire.gov.uk/committee-papers)



Questioners may ask two questions and can speak for up to three minutes each.

To be sure of receiving an answer to an appropriate question, please contact Ann Mawdsley on 01926 418079 or e-mail

[annmawdsley@warwickshire.gov.uk](mailto:annmawdsley@warwickshire.gov.uk) 5 working days before the meeting. Otherwise, please arrive at least 15 minutes before the start of the meeting and ensure that Council staff are aware of the matter on which you wish to speak.

#### **4. Questions to the Portfolio Holders/Portfolio Holders Update**

Up to 30 minutes of the meeting is available for Members of the Committee to put questions to the Portfolio Holders (Councillor Colin Hayfield, Lead Portfolio Holder Customers, Workforce and Partnerships, Peter Butlin, Support Portfolio Holder Workforce and Governance, Councillor Martin Heatley, Lead Portfolio Holder Resources) on any matters relevant to the remit of the Overview and Scrutiny Board and for the Portfolio Holders to update the Board on relevant issues.

#### **5. Corporate Business Plan 2011-13 Approach**

Report of the Assistant Chief Executive

This report presents the proposed approach to developing the 2011-2013 Corporate Business Plan.

##### **Recommendation**

##### **Overview and Scrutiny Board are requested to:**

- Comment upon the approach to the development of the 2011-13 Corporate Business Plan which was approved by Cabinet at its meeting of the 16<sup>th</sup> December 2010.
- Identify opportunities for the development of the measures and targets to support the Corporate Business Plan.

For further information please contact Nicole North, Performance and Improvement Officer, Tel: 01926 412753 E-mail

[nicolenorth@warwickshire.gov.uk](mailto:nicolenorth@warwickshire.gov.uk).

## 6. Treasury Management Monitoring Report 2010/11

Report of the Strategic Director of Resources

This report sets out the progress of the treasury management process during 2010/11.

### Recommendation

That the Overview and Scrutiny Board consider and comment on the report.

For further information please contact Phil Triggs, Group Manager, Tel: 01926 412227 E-mail [philtriggs@warwickshire.gov.uk](mailto:philtriggs@warwickshire.gov.uk).

## 7. Review of Communication with the Public and Financial Accountability

Report of Councillor Tim Naylor - Chair of Task and Finish Group.

Stage one of this review is complete and the task and finish group has now embarked on stage two. This report provides the Overview and Scrutiny Board with an update on progress with the review and seeks agreement to extend the length of time the review takes to complete.

### Recommendation

That the Overview and Scrutiny Board notes the current progress with the review of Communication with the Public and Financial Accountability and agrees to extend the timescale for the review to April 2011.

For further information please contact Councillor Tim Naylor, Tel: 07070727134 E-mail [cllrnaylor@warwickshire.gov.uk](mailto:cllrnaylor@warwickshire.gov.uk) or Paul Williams, Overview and Scrutiny Officer, Tel: 01926 418196 E-mail [paulwilliamscl@warwickshire.gov.uk](mailto:paulwilliamscl@warwickshire.gov.uk).

## 8. Local Finance Settlement

To consider the impact of the Local Finance Settlement on Warwickshire and identify any areas which may require further in-depth scrutiny. Attached is a copy of the draft minute and presentation made to Cabinet on 16 December 2010.

For further information please contact David Clarke, Tel: 01926 412003 E-mail [davidclarketr@warwickshire.gov.uk](mailto:davidclarketr@warwickshire.gov.uk)

## 9. Scrutiny Reviews Progress Report and New Proposals for Task and Finish Groups

Report of the Strategic Director for Customers, Workforce and Governance

The Board is asked to comment on the progress of scrutiny reviews and consider any new proposals for task and finish groups to undertake reviews.

### Recommendation

That the Overview and Scrutiny Board

- (1) Comments on the progress of the scrutiny reviews
- (2) Considers any new proposals for task and finish groups
- (3) Decides which groups it wishes to commission and appoints the members and chairs of those groups.

For further information please contact Jane Pollard, Democratic Services Manager, Tel: 01926 412565 E-mail [janepollard@warwickshire.gov.uk](mailto:janepollard@warwickshire.gov.uk)

## 10. Work Programme 2010-11

Report of the Strategic Director Customers, Workforce and Governance

The Board is asked to consider the items it would wish to include in its future work programme.

### Recommendation

That the Overview and Scrutiny Board considers the draft work programme at Appendix 1 and amends as appropriate.

For further information please contact Jane Pollard, Democratic Services Manager, Tel: 01926 412565 E-mail [janepollard@warwickshire.gov.uk](mailto:janepollard@warwickshire.gov.uk) or Ann Mawdsley, Principal Committee Administrator, Tel: 01926 418079 E-mail [annmawdsley@warwickshire.gov.uk](mailto:annmawdsley@warwickshire.gov.uk).

## 11. Any Other Items

Which the Chair decides are urgent.

## 12. Dates of Future Meetings

The future meetings of the Board are scheduled as follows at 2pm on:

**16 March 2011**  
**25 May 2011**  
**20 July 2011**  
**28 September 2011**  
**30 November 2011**  
**25 January 2012**  
**28 March 2012**

Jim Graham  
Chief Executive  
Shire Hall  
Warwick

### Committee Membership

**Councillors:** Les Caborn, Michael Doody, Peter Fowler, Bernard Kirton, Tim Naylor, Jerry Roodhouse, John Ross, Chris Saint (Chair), Dave Shilton, June Tandy, John Whitehouse, Sonja Wilson.

### Co-opted members for Partnership matters as follows

#### District / Borough Council

North Warwickshire Borough Council:	Councillor Jeremy Bowden
Nuneaton and Bedworth Borough Council:	Councillor John Haynes
Rugby Borough Council	Councillor Claire Edwards
Stratford-on-Avon District Council	Councillor Sue Main
Warwick District Council:	Councillor Bill Gifford

#### Warwickshire Police Authority

Clive Parsons

#### NHS Warwickshire

Janet Smith

#### Portfolio Holders:-

Councillor Colin Hayfield -Customers, Workforce and Partnership

Councillor Peter Butlin – Workforce and Governance

Councillor Martin Heatley - Resources

### For further information please contact

---

The public reports referred to are available on the Warwickshire Web  
[www.warwickshire.gov.uk/committee-papers](http://www.warwickshire.gov.uk/committee-papers)



Ann Mawdsley, Principal Committee Administrator,  
Customers, Workforce and Governance Directorate  
Tel. 01926 418079 or e-mail [annmawdsley@warwickshire.gov.uk](mailto:annmawdsley@warwickshire.gov.uk)

---

The public reports referred to are available on the Warwickshire Web  
[www.warwickshire.gov.uk/committee-papers](http://www.warwickshire.gov.uk/committee-papers)



# MINUTES OF A MEETING OF THE OVERVIEW AND SCRUTINY BOARD HELD ON 10 NOVEMBER 2010

## **Present:**

## **Members of the Board:**

**Councillors:** Sarah Boad  
Les Caborn  
Michael Doody  
Peter Fowler  
Tim Naylor  
John Ross  
Chris Saint (Chair)  
Dave Shilton  
June Tandy  
John Whitehouse  
Sonja Wilson

**Other Members:** Councillor Alan Farnell (Leader of the Council) and Councillor Richard Chattaway.

## **Co-opted members**

### **For Partnership**

#### **Matters**

Councillor John Haynes (Nuneaton and Bedworth Borough Council)  
Councillor Claire Watson (Rugby Borough Council)  
Councillor Bill Gifford (Warwick District Council)  
Councillor Sue Main (Stratford-on-Avon District Council)

**Officers:** Kushal Birla, Head of Customer Service and Communications  
David Carter, Strategic Director Customers, Workforce and Governance.  
David Clarke, Strategic Director of Resources  
Monica Fogarty, Assistant Chief Executive  
Nick Gower-Johnson, County Localities and Communities Manager  
Jim Graham, Chief Executive  
Jean Hardwick, Principal Committee Administrator  
Jack Linstead, Communications Officer  
Virginia Rennie, Group Accountant  
Monika Rozanski, Senior Project Manager  
Jane Pollard, Democratic Services Manager

## **1. General**

### **(1) Apologies**

Apologies for absence were received on behalf of Councillor Jeremy Bowden (North Warwickshire Borough Council),



Councillor Jerry Roodhouse (replaced by Councillor Sarah Boad for this meeting), Councillor Claire Edwards (Rugby Borough Council)(replaced by Councillor Claire Watson), Clive Parsons (Warwickshire Police Authority), Janet Smith (NHS Warwickshire) and Kim Harlock (Head of Strategic Commissioning and Performance Management).

**(2) Members' Disclosures of Personal and Prejudicial Interests**

None

**(3) Minutes of the meeting of the Overview and Scrutiny Board held on 5 October 2010**

The minutes of the meeting of the Overview and Scrutiny Board held on 5 October 2010 were agreed as a true record and signed by the Chair. There were no matters arising that were not covered as part of the Agenda items.

**Part 1 – Partnership Matters**

**2. Update Report – Progress on the One-Front Door Programme**

Kushal Birla presented the report of the Strategic Director, Customers, Workforce and Governance. The report outlined the good progress that had been made on setting the strategic context and understanding the wider implications of the One Front Door agenda which had been supplemented by significant, detailed research on services, customers, communities and respective demographics.

She highlighted the–

- (1) pressure on public finances to ensure delivery of savings across the service;
- (2) ongoing work being undertaken by officers to ensure accuracy of the statistics and data;
- (3) need to provide choice in terms of how services were delivered around the county and to manage the drive towards “e-ways” of working;
- (4) work being carried out to rationalise the use of property across the partnership agencies.

In reply to questions she -

- (1) gave assurance that, with regard to the comments made in paragraphs 2.6 – 2.7 of the report, Members would not be asked to make any decisions about development of on line services or rationalisation of buildings without being provided with the relevant information to make those decisions;
- (2) undertook to provide Members with a briefing note–
  - (a) of the cost per transaction for providing services for the Police;
  - (b) detailing the services provided on-line;
  - (c) listing the services that were provided now and those that were proposed to be provided in the future.

- (3) highlighted the cost of providing face to face services;
- (4) said that mapping of the county was being done to ensure the effectiveness and efficiency of service delivery in each locality and to identify locations that were not currently being fully utilised by partner organisations;
- (5) said that “Warwickshire Direct” was the strap-line for delivery of this service and acknowledge that the different terminology used to describe the service might cause confusion;
- (6) said she understood that all local Members had been informed of the closure of Kings House reception which had been done because of the high cost of running this service, involving the need to employ two staff to run the service, when the numbers of enquiries were low.

The Chair thanked Kushal Birla for presenting the report and answering Members’ questions.

### **3. Sub-Regional Programme of Collaboration**

Monica Fogarty presented her report which gave an update on the County Council’s contribution and involvement with the sub-regional work programme building on outcomes from the Total Place Pilot. She highlighted the joint work programme listed in paragraph 3.1 of the report and the successful funding bid made to the Improvement and Efficiency West Midlands Locality Investment Fund.

In reply to questions Monica Fogarty said that –

- (1) whatever the issue, in order for Sub-Regional working to succeed there was the need for a good business case for each project; in addition to a degree of flexibility and the ability to trade services;
- (2) the sub-region referred to in the report was a three way partnership, consisting of Coventry, Warwickshire and Solihull. Over the last few months, however, Solihull had increasingly connected with Birmingham in relation to the health clusters and Local Enterprise Partnerships;
- (3) There were no guarantees to ensure commitment by all three authorities but acknowledging that where resources were involved there was need to have some protection in place but this was a pilot scheme and a learning experience by all partners.

A Member expressed concern about the cost effectiveness of provided training and development sessions under this initiative which, from his experience were very poorly attended. In response David Clarke said that the Learning Academy was a county partnership that provided training and development for Members and Officers and was made up of 13 organisations. The training courses were funded by each participant paying a fee.

The Chair thanked Monica Fogarty for her report which he said had been debated well and looked forward to a further update in the future.

#### **4. Proposals for Joint Scrutiny and Overview and Scrutiny Work Programmes in Warwickshire**

Jane Pollard circulated a scoping paper for a scrutiny review on Alcohol Control – Review of Licensing across the County and invited comments.

Councillor John Whitehouse reported that Stratford-on-Avon District Council had just concluded work on restating their licensing policy and he referred to the Drug and Alcohol Management Group (DAMG) work which had not yet started and suggested that the proposed review should be delayed until this work was complete.

During discussion some District Council Members questioned why the County Council was undertaking this review when it was did not exercise the licensing function. Others Members agreed that it might be appropriate if the review had a health focus and that the Police would wish to see a co-ordinated approach to licensing across the county.

The Chair referred to the Government White Paper on Health that would be published shortly and suggested that the guidance contained within that Paper would also influence the scope of any future review.

It was agreed that the review of Alcohol Control be deferred for further discussion to take place with the District and Borough Councils over the scope of the review and to allow the review being carried out by the Drug and Alcohol Management Group (DAMG) to explore the current position in the county and identify how licensing activity can be better co-ordinated across the County, to be completed.

#### **Part 2 – Council Matters**

(The order of these minutes is as they appear on the agenda and not the order in which they were considered.)

#### **5. Public Question Time**

None.

#### **6. Questions to the Portfolio Holder/Portfolio Holders Update**

The Chair invited questions from Member to the Portfolio Holders and said that Councillor Alan Farnell had attended in Councillor Martin Heatley's absence.

A Member asked why Councillor Colin Hayfield (Lead Portfolio Holder for Customers Workforce and Governance) and Councillor Peter Butlin (Support Portfolio Holder for Workforce and Governance) were not present. The Chair said he would convey to the Members the Committee's concern about their absence from the meeting.

Councillor Tim Naylor referred to the decision taken the previous week by full Council to approve the absence of Councillor Martin Heatley from Council business because of ill health, and asked whether consideration had been given

to making a temporary appointment to cover Councillor Heatley's Portfolio Holder duties during his absence.

Councillor Alan Farnell, said that there was no intention of making a temporary portfolio holder appointment in Councillor Heatley's absence. He gave reassurance that Councillor Heatley was regularly in touch by email and kept well briefed by various means and in person by Councillors David Wright and Colin Hayfield.

Councillor John Whitehouse asked a supplementary question and said that he, and Councillor Tim Naylor, represented the County Council on Eastern Shires Purchasing Organisation (ESPO) and that Councillor Heatley was the County Council's representative on the Management Committee. There were currently major issues facing ESPO and Councillor Heatley's absence had meant that there was a vacuum and the County Council had not been able to contribute to the consideration of these issues and this needed to be addressed.

In response Councillor Farnell said that he had hoped to persuade Councillor Alan Cockburn to take over Councillor Heatley's role but gave assurance that if this was not possible then he would take on the responsibility himself.

The Chair thanked Councillor Farnell for his responses.

## **7. Review of Communication with the Public and Financial Accountability Task – Interim Report**

Councillor Tim Naylor, Chair of the Task and Finish Group, presented the report.

The report outlined that, since August 2010, a small group of elected members had been working on a two-part review looking at how the County Council was communicating with stakeholders over the financial challenges it was facing and how, to ensure accountability, it would ensure financial information was accessible and transparent. This interim report focused on the first part of the review.

Councillor Naylor thanked Paul Williams, Scrutiny Officer, and the other Members of the Task and Finish group for their help and support in carrying out this task. He said that the recurring theme that came out of the review was that there were a lot of people doing their own thing, under different headings, with little co-ordination, e.g. Tough Choices, Transformation 2013 Working for Warwickshire and Facing the Challenge. There was a lot of good work being done across the Council but this should be under one heading and giving a clear message. There was little evidence of Member involvement. He referred to the excellent examples to be found in Cipfa guidelines.

Councillor Alan Farnell agreed that there were too many initiatives across the Council that needed to be brought together under one heading. He highlighted that the budget proposal this year had been made available to all much earlier than previous years.

Jim Graham said that Transformation 2013 provided the opportunity to look at how a downsized authority would be able to deliver quality services. It was not just about the County Council but was also about being a leader to partner

organisations. This was a long process that would go past the life of the current Council.

Councillor June Tandy moved, bearing in mind that this was part of a 4 year programme that the interim report's recommendation should be forwarded to Cabinet for implementation. Councillor Dave Shilton, seconded the motion and suggested that full Council should be kept apprised of the progress of the Review.

It was Resolved that –

- (1) The Task and Finish Group's recommendations be forwarded to Cabinet for implementation and ;
- (2) The Portfolio Holder be asked to inform the full Council on how outcomes from Transformation 2013 will be assessed.

## **8. Key Messages from recent consultation and engagement and some issues concerning the future of the Council's approach**

The Committee considered the report of the Strategic Director for Customers Workforce and Governance

Nick Gower-Johnson presented the report which summarised some key messages from consultation and engagement exercises undertaken by the Council during 2009/10, and suggested ways in which the Council could improve and gain greater value from its consultation and engagement activities. He said that the views expressed by Members would be conveyed to Cabinet on the 18 November 2010 when it considered this report.

Members congratulated Monika Rozanski on receiving an Award from the Polish Embassy in London as a recognition for her work on a radio programme "Poles Apart" on BBC Coventry and Warwickshire Radio which she would be presented with in London later that day.

During discussion the following comments were noted:

- (1) That the most interesting part of the report was Section 3.3, which contained proposals for "the fresh vision for consultation and engagement" but it was questioned how this would be controlled in the future;
- (2) Councillor Tim Naylor said that he had been concerned about co-ordination of the County Council's activities with regard to communication with the public and was pleased that the recommendation in the report supported the findings of the Communications with the Public and Financial Accountability Task and Finish Group;
- (3) Concern was expressed about the low response rate to the consultation (listed in page 5 of the report) and that these findings were questioned in the absence of outcomes or actions to be taken in the future;
- (4) That a 50% response rate from the Citizens Panel was a reasonable response but it did reveal that there was a significant lack of awareness of some services and that needed to be addressed;
- (5) Reference was made to the Rugby Consortium and the need to engage with young people across the county and to find out what facilities they wanted and to respond quickly to their needs. .

In reply to questions –

- (1) Monika Rozanski said that a handbook had been drafted setting out consultation and engagement standards;
- (2) Nick Gower-Johnson said that –
  - (a) The Rugby Consortium was a good example of engagement with young people and co-operation between the Youth Services, Parish Council and Borough Council;
  - (b) Future consultation and engagement would be controlled by drawing together an overall programme and co-operation across the Council.

The Board agreed that its comments on the key messages from the corporate, directorate and partnership consultation and engagement activities conducted over the period between 1<sup>st</sup> April 2009 and 30<sup>th</sup> March 2010 and the proposed improvements to the Council's approach to consultation and engagement, be conveyed to Cabinet on 18<sup>th</sup> November 2010.

## **9. Scrutiny Reviews Progress Report and New Proposals for Task and Finish Groups**

The Board considered the report of the Strategic Director for Customers, Workforce and Governance and was asked to comment on the progress of scrutiny reviews and consider any new proposals for task and finish groups to undertake reviews.

Jane Pollard circulated a scoping paper for Scrutiny of the Local Economy, and referred to the scoping paper for Control of Alcohol- review of licensing across the county, circulated earlier in the meeting during discussion of item 4 above.

Following discussion -

The Board agreed the scope and membership of two Task and Finish Groups as follows:

- (1) Supporting the Local Economy – Councillors June Tandy (Chair), Chris Williams, David Johnston, Tilly May, Peter Fowler, Richard Chattaway and a Rugby Borough Councillor (to be nominated);
- (2) Hospital Discharges and Reablement – Councillors Josie Compton (Chair), Sid Tooth, Kate Rolfe, Robin Hazelton, Claire Watson and Martyn Ashford.

## **0. Work Programme 2010-11**

The Board, having considered the report of the Strategic Director of Customers, Workforce and Governance, noted the –

- (1) Forward Plan items relevant to the work of this body;
- (2) Future Work Programme;
- (3) Dates of future meeting.

**11. Any Other Items**

None.

.....  
Chair

The Board rose at 4.20 p.m.

**AGENDA MANAGEMENT SHEET**

**Name of Committee** Overview And Scrutiny Board

**Date of Committee** 12 January 2011

**Report Title** Public Services Reform Task and Finish Group

**Summary** The Board is asked to consider the recommendations of the Public Service Reform Task and Finish Group for onward transmission to Cabinet.

**For further information please contact:** Jane Pollard  
Democratic Services  
Manager  
Tel: 01926 412565  
janepollard@warwickshire.gov.uk

**Would the recommended decision be contrary to the Budget and Policy Framework?**  
No.

**Background papers** None

**CONSULTATION ALREADY UNDERTAKEN:-** Details to be specified

- Other Committees  .....
- Local Member(s)  N/A
- Other Elected Members  Councillors Ross, Roodhouse, Fowler, Tooth
- Cabinet Member  For information Councillors: Colin Hayfield, Peter Butlin, Martin Heatley.
- Chief Executive  .....
- Legal  Jane Pollard
- Finance  .....
- Other Strategic Directors  David Clarke, Strategic Director of Resources, Monica Fogarty Assistant Chief Executive
- District Councils  .....



Health Authority

Rachel Pearce, Janet Smith.

Police

Oliver Winters - Police Authority; Clive Parsons-  
Police Authority; Colin Grainger –Police Service.

Other Bodies/Individuals

Gill Jowers - AHCS, Bob Hooper CYPF

**FINAL DECISION**

**SUGGESTED NEXT STEPS:**

Details to be specified

Further consideration by  
this Committee

.....

To Council

.....

To Cabinet

.....27.01.2011.....

To an O & S Committee

.....

To an Area Committee

.....

Further Consultation

.....

## Agenda No 2

### Overview and Scrutiny Board - 12th January 2011.

#### Report of the Chair of the Public Service Reform Task and Finish Group

##### Recommendations

That the Overview and Scrutiny Board considers the report and the recommendations for onward transmission to Cabinet

- (1) The Council should move towards a strategic commissioning model of operation and should clarify what this means in practice for the authority. It should also set out the principles and values which will underpin the model.
- (2) There should be a clear vision and transition plan to support the model so that service reconfiguration does not take place in a vacuum and opportunities lost.
- (3) Any proposals for trading, outsourcing, collaborative models should be supported by a proper business case and the key questions in paragraph 2.9 should be answered.
- (4) Proposals for collaboration should be based on what makes sense in service terms and not restricted to specific geographic areas 'Warwickshire' or the sub-region.
- (5) Work should be undertaken to explore the opportunities identified in Section 3

#### 1. Introduction

- 1.1 The Public Service Reform Task and Finish Group was commissioned by the Overview and Scrutiny Board in July 2010. The scope of the potential changes to public services is vast and therefore the Group decided to focus on the areas of adult social care, health, education and police services. It has met on three occasions to gather intelligence about how services are responding to meet the challenges posed.
- 1.2 It also held a workshop on 3 November 2010 to look at the possible shape of public services across Warwickshire, what services could benefit from a different approach and the specific opportunities arising from the changes to Health and Education.

- 1.3 The government reform agenda continues to move at a fast pace. We operate on continually shifting sands as future government policy is unveiled or is amended in response to consultation responses. There is a need for the local authority to remain continually alert, to ensure its solutions are not rigid so that it can adapt its arrangements to meet new requirements/directions as they emerge.

## **2 Key Findings**

- 2.1 The Group is of the view that the local authority should move towards a strategic commissioning model of operation rather than the traditional provider model. The suggested advantages of such an approach are that it should enable the local authority to take a more holistic approach to commissioning based on the needs of consumers/citizens. The Council has a wealth of information available to it e.g. Quality of Life Report, Joint Strategic Needs Assessment etc to enable these to be identified and a service offer developed.
- 2.2 There needs to be clarity over what a strategic commissioning model means in practice for the local authority and the principles and values which will underpin it. Will it be the 'virtual authority' model of Suffolk County Council or something different?
- 2.3 It is important that the authority has a clear idea of where it wants to be in the next 5 -10 years so that service re-configuration does not take place in a vacuum and opportunities are not lost. There should be a strategy and plan to support the transition.

### **Collaboration, Outsourcing and Marketing**

- 2.4 The workshop on 3 November 2010<sup>3</sup> considered 3 basic models for collaboration
- Lead Authority –e.g. Continuing Healthcare
  - Joint Service –secondment
  - New Legal Entity (creation of new organisation e.g. Housing Improvement)
- 2.5 Many of the earlier 'partnerships' had focussed on transactions as part of the 'Gershon' efficiency agenda. Latterly discussions had focussed on establishing strategic partnerships and for a variety of reasons discussions have stalled when moving from principle to implementation. There is insufficient time to engage in lengthy debates if the Council is to respond to reform agenda, the pace of change is too fast. The focus of the debate needs to move to specialist services if collaborative models are to be pursued and practical implementation.
- 2.6 To pursue collaborative models there needs to be real enthusiasm from all those who would need to be involved. There needs to be clear articulation of the intended service offer and the outcomes and a clear implementation plan.

- 2.7 When considering collaborative models there is a need to ensure that you have driven out all the inefficiencies in your own processes and aligned those processes with other 'partners' otherwise you simply transfer those costs into the collaborative model.
- 2.8 Collaborative models which simply seek to share/shed management costs will not generate the scale of savings required to meet the public spending cuts. Simply combining services does not produce economies of scale, the changes need to be more fundamental. As well as managing supply we need to manage demand more effectively, for example the re-configuration of some services is with a view to reducing the demand for public services –social care reablement.
- 2.9 Whether considering collaboration, outsourcing or marketing of services key questions need to be answered?
- Do we have the market intelligence to know where the opportunities lie?
  - Is there a clear service offer?
  - Do we know the cost of our own services compared to others?
  - Do we understand the financial risks?
  - Are we confident that all the inefficiencies in our services have been driven out?
  - Is there a robust business case for collaboration, marketing or outsourcing the services?
- 2.10 There should be a proper business case, with a clear articulation of the service offer and clear common understanding between 'partners'. All partners need to know the costs of their services for collaborative models to work.
- 2.11 Overall there was little appetite for pursuing shared service models, outsourcing or marketing of services to others unless there was a business case to do so.
- 2.12 We need to move away from considering collaborative models based on geographical administrative boundaries or adjoining areas. Whilst these may be important for some public services they are not for others.
- 2.13 Overall there was little appetite for pursuing shared service models, outsourcing or marketing of services to others unless there was a business case to do so.

### **3 Key Opportunities**

- 3 There are some immediate opportunities for the local authority to explore in terms of collaborative models. They need to be assessed quickly otherwise the opportunity will be lost.
- Further opportunities have opened up for integrated health and adult social care commissioning with the proposals for GP commissioning, for example the continuing healthcare budget is around £78M
  - Education and services to schools – Academies/Free Schools –where there may be opportunities to trade services if the market is right. Work needs to be undertaken to ensure we have a robust business case to make a service offer.
  - Commissioning and procurement of ‘common goods and services’. There are multiple ‘collaborative arrangements’ existing within the county and extending outside of Warwickshire boundaries. These might offer opportunities for rationalisation and an opportunity for public services to combine their purchasing power and drive prices down in the market.

### **4. Other Issues**

- 4.1 In assessing the impact of the reforms on the organisation or the public it is difficult to disentangle the reforms themselves from the spending cuts and until these are worked through the picture is incomplete.
- 4.2 However we know services will be more heavily reliant in future on the web and other forms of e-communications and e-delivery. Face to face contact is expensive and the public service needs to shift public expectations in terms of contact. For some sectors of the public this will be welcome change, for others it’s a much more challenging prospect.
- 4.3 The local authority alongside its partners needs to manage services to reduce the demand/reliance on public services, but are the public ready to help themselves? The one front door programme acknowledges that a significant shift needs to take place in public behaviour if these changes are to be effective. This is not just about the organisation changing. For example the provision of online resource directories from which people can purchase their own aids, telecare etc. is a great idea however the elderly may not be aware of what is available or how to access it. The public need to be prepared to use those channels. This requires a significant information campaign.
- 4.4 A reduction in the number of public buildings, more outreach services going to the customer/client. For example the ‘virtual hospital ward’ initiative where your bed at home becomes part of the ward to reduce hospital stays.
- 4.5 The government agenda is for Academies to be the ‘norm’, free schools are simply new schools which are academies. In future the relationship with the

local authority will largely be a trading one to the extent that the local authority decides to trade its services. Do we embrace and facilitate or simply let schools decide for themselves? Ultimately having mixed economy may not be in the interests of our traded services.

COUNCILLOR JOHN ROSS  
Chair of the Public Service  
Reform Task and Finish Group

16 December 2010

**AGENDA MANAGEMENT SHEET**

**Name of Committee** Overview and Scrutiny Board

**Date of Committee** 12<sup>th</sup> January 2011

**Report Title** Corporate Business Planning 2011-2013

**Summary** This report presents the approach to developing the 2011-2013 Corporate Business Plan and the agreement of measures by the individual O&S Committees.

**For further information please contact:**

Tricia Morrison Head of Performance 01926 736319 <a href="mailto:triciamorrison@warwickshire.gov.uk">triciamorrison@warwickshire.gov.uk</a>	Nicole North Performance and Improvement Officer 01926 412753 <a href="mailto:nicolenorth@warwickshire.gov.uk">nicolenorth@warwickshire.gov.uk</a>
--	---

**Would the recommendation decision be contrary to the Budget and Policy Framework?** [please identify relevant plan/budget provision] No.

**Background papers** None

**CONSULTATION ALREADY UNDERTAKEN:-** Details to be specified

Other Committees

Local Member(s)

Other Elected Members  Cllr Caborn, Cllr Doody, Cllr Whitehouse, Cllr Tandy

Cllr Saint *“This report presents a sound basis for discussion. However, the Board must also be involved with the development of related measures and targets.”*

Cabinet Member  For information: Cllr Farnell, Cllr Stevens, Cllr Hayfield

Chief Executive

- |                          |                                     |                               |
|--------------------------|-------------------------------------|-------------------------------|
| Legal                    | <input checked="" type="checkbox"/> | Jane Pollard                  |
| Finance                  | <input type="checkbox"/>            |                               |
| Other Chief Officers     | <input checked="" type="checkbox"/> | Monica Fogarty                |
| District Councils        | <input type="checkbox"/>            |                               |
| Health Authority         | <input type="checkbox"/>            |                               |
| Police                   | <input type="checkbox"/>            |                               |
| Other Bodies/Individuals | <input checked="" type="checkbox"/> | Michelle McHugh, Ann Mawdsley |

**FINAL DECISION**

**SUGGESTED NEXT STEPS:**

Details to be specified

- |   |                                     |  |
|---|-------------------------------------|--|
| Further consideration by this Committee | <input type="checkbox"/>            |  |
| To Council                              | <input checked="" type="checkbox"/> | <i>Council – 15<sup>th</sup> February</i>                  |
| To Cabinet                              | <input checked="" type="checkbox"/> | <i>Cabinet – 27<sup>th</sup> January</i>                   |
| To an O & S Committee                   | <input checked="" type="checkbox"/> | <i>Overview and Scrutiny Board – 16<sup>th</sup> March</i> |
| To an Area Committee                    | <input type="checkbox"/>            |  |
| Further Consultation                    | <input type="checkbox"/>            |  |



## Overview and Scrutiny Board – 12<sup>th</sup> January 2011

### Corporate Business Planning 2011-2013

#### Report of the Assistant Chief Executive

#### Recommendation

##### Overview and Scrutiny Board are requested to:

- Comment upon the approach to the development of the 2011-13 Corporate Business Plan which was approved by Cabinet at its meeting of the 16<sup>th</sup> December 2010.
- Identify opportunities for the development of the measures and targets to support the Corporate Business Plan.

#### 1.0 Introduction

- 1.1 The past twelve months have seen an unprecedented amount of change facing Warwickshire County Council and its local partners. A great deal of activity is already underway to respond to these changes and ensure that the Organisation is fit for future purpose.
- 1.2 Our Corporate Business Plan identifies where we are going by articulating our repositioned vision, priorities and outcomes for 2011-13 and setting out how we will achieve them. In times of significant change and uncertainty this will be more important than ever as the Plan is the articulation of the future shape and purpose of the Organisation.
- 1.3 The Plan is the main reference point for understanding where the Organisation will be by 2013, and in doing so will continue to be supported and informed by the following elements:
  - Our Customers and the implementation of the One Front Door Project,
  - Our Partners through the continued pursuit of collaborative working at the local and sub-regional level,
  - Our People through the delivery of the Framework for Transformation and Development,
  - Our Resources through the delivery of the Medium Term Financial Plan,
  - Our Performance through the effective implementation of the Performance Management Framework.

## 2.0 Content of the Corporate Business Plan

- 2.1 The Corporate Business Plan has traditionally been a 3 year plan which is refreshed annually. This years plan will cover the period up until 2013. This will enable more effective linkages with the two year grant settlements announced earlier this month as well as taking us to the end of the current Council Administration and the 2013 County Council Elections.
- 2.2 The Corporate Business Plan will comprise of two inter-related sections:
- **The Context** - Contextual and background information at a national, local and organisational level.
  - **“Vision for Warwickshire”** - The overall vision of where we want to be by 2013. This section will also provide a vision statement outlining what we want to achieve for the people of Warwickshire.
- 2.3 The content of these sections is addressed in more detail in **Appendix A**.
- 2.4 Given the scale of change facing local public services the Corporate Business Plan will have a greater focus on clarifying the role and purpose that the County Council will play in Warwickshire both now and into the medium term building on the important messages that were articulated in November’s *Facing the Challenge* document.
- 2.5 The Corporate Business Plan will be critical in bringing together the Organisations Transformation Agenda, service delivery and financial management. In doing so it will show how these interconnected elements are working together to deliver the ‘Vision for Warwickshire in 2013’.
- 2.6 The shape and contents of the Corporate Business Plan will acknowledge the recommendation from the review of Dialogue with the Public and Financial Accountability Task and Finish Group to make explicit the relationship that the Corporate Business Plan plays with Transformation 2013.

## 3.0 Business and Financial Planning from 2011 onwards

- 3.1 It has become clear that as an Organisation we need to be more explicit about what is a priority and what is not a priority and that our financial planning approach needs to be driven by the vision and priorities of the Organisation. Equally, the vision and priorities of the Organisation need to be developed within the context of available resources if they are to be realistic and achievable. Work is underway to bring these two elements more effectively together throughout the process to ensure that the resources we have support the delivery of the Organisations vision and priorities.

## 4.0 Next steps

4.1 A timeline of the next steps is provided below:

<b>Jan 2011</b>	Overview and Scrutiny Board to consider approach and timescale to Corporate Business Plan (12th January 2011)  Cabinet to consider draft High Level Corporate Business Plan (27 <sup>th</sup> January 2011)
<b>Feb 2011</b>	Final Budget and High Level Corporate Business Plan agreed by Council (15th February 2011)
<b>March 2011</b>	Communities OSC to consider relevant draft measures and targets to support the CBP (1 <sup>st</sup> March)
<b>April 2011</b>	Children and Young People OSC to consider relevant draft measures and targets to support the CBP (6 <sup>th</sup> April)  Adult Social Care and Health OSC to consider relevant draft measures and targets to support the CBP (13 <sup>th</sup> April)  Cabinet to agree CBP measures and targets for 2011-13 (14 <sup>th</sup> April)  Corporate Business Plan goes 'live' (End of April 2011)

## 5.0 Role of Overview and Scrutiny

5.1 It is proposed Overview and Scrutiny must play a pivotal role in the development of the Corporate Business Plan, specifically the development of a suite of supporting measures and targets to ensure the delivery of the outcomes listed in the Plan. Work will take place in the New Year to support the Members of the Overview and Scrutiny Committees in challenging the proposed measures and targets for 2011-12.

5.2 Detailed consideration of the Corporate Business Plan will also be key in helping to inform the OSB Work Programme for the coming year.

## 6.0 Recommendations

- Comments upon the approach to the development of the 2011-13 Corporate Business Plan which was approved by Cabinet at its meeting of the 16<sup>th</sup> December 2010.
- Identify opportunities for the development of the measures and targets to support the Corporate Business Plan.

Monica Fogarty  
Assistant Chief Executive

Shire Hall  
Warwick

January 2011

## Appendix A – Proposed Corporate Business Plan content

Chapter Heading	Content
<b>Introduction</b>	
<b>Foreword</b>	This section provides an introduction to the plan from the Leader and Chief Executive of the Council
<b>Corporate Plan Overview</b>	A summary of the content of the CBP
<b>Context</b>	
National and Local Drivers	A summary of the vast amount of changes over the past 12 months which will provide the context for the development of the plan.
<b>About this Plan</b>	Explanation of the relationship between the following documents and the role of each: <ul style="list-style-type: none"> <li>• State of Warwickshire &amp; Quality of Life Report</li> <li>• The Corporate Business Plan</li> <li>• The Budget and Medium Term Financial Plan</li> <li>• Organisational Development Strategy</li> <li>• Directorate Business Plans</li> </ul>
<b>The Story of Warwickshire</b>	An introduction to Warwickshire as a place.
<b>Building on success</b>	A summary of achievements over the past 12 months which have worked towards transforming the Council.
<b>Vision for Warwickshire</b>	
<b>Vision for WCC</b>	This section will articulate the future shape and purpose of WCC in 2013 and beyond.
<b>Our Priorities</b>	For each priority we will provide: <ul style="list-style-type: none"> <li>• Background</li> <li>• Clear outcomes of where we want to be by 2013 and how we will get there.</li> </ul>
<b>Cultural Foundations</b>	This section will articulate the work of the Transformation Change Workstreams.

**AGENDA MANAGEMENT SHEET**

**Name of Committee** Overview and Scrutiny Board  
**Date of Committee** 12 January 2011  
**Report Title** Treasury Management Monitoring Report 2010/11

**Summary** This report sets out the progress of the treasury management process during 2010/11.

**For further information please contact:** Phil Triggs  
 Group Manager  
 Tel: 01926 412227  
 philtriggs@warwickshire.gov.uk

**Would the recommended decision be contrary to the Budget and Policy Framework? [please identify relevant plan/budget provision]**  
 No.

- Background papers**
- CIPFA publication "Treasury Management in the Public Services: Code of Practice and Guidance notes for Local Authorities"
  - Treasury Management Strategy 2010/11

**CONSULTATION ALREADY UNDERTAKEN:-** Details to be specified

- Other Committees  .....
- Local Member(s)
- Other Elected Members  Cllr Appleton, Cllr Gittus, Cllr Davis, Cllr Moss
- Cabinet Members  Cllr Heatley, Cllr Wright
- Chief Executive  .....
- Legal  Sarah Duxbury, Janet Purcell
- Finance  Strategic Director, Resources – reporting officer
- Other Chief Officers  .....
- District Councils  .....
- Health Authority  .....

Police  .....

Other Bodies/Individuals

**FINAL DECISION YES**

**SUGGESTED NEXT STEPS:**

Details to be specified

Further consideration by this Committee  .....

To Council  .....

To Cabinet  .....

To an O & S Committee  .....

To an Area Committee  .....

Further Consultation  .....

12 January 2011

## Treasury Management Monitoring Report

### Report of the Strategic Director, Resources

#### Recommendation

That the Overview and Scrutiny Board consider and comment on the report.

## 1 Introduction

- 1.1 Warwickshire County Council fully complies with the requirements of The Chartered Institute of Public Finance and Accountancy's (CIPFA's) Code of Practice (COP) on Treasury Management 2001.
- 1.2 Under the CIPFA Code, the Cabinet is required to receive a report on the outturn of the annual treasury management activity for the authority. Monitoring reports regarding treasury management will be an agenda item for the O&S Board throughout the year.
- 1.3 Treasury management in the context of this report is defined as:  
  
"The management of the local authority's cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks." (*CIPFA Code of Practice*).

## 2 Investments

- 2.1 The Council has an investment portfolio consisting of reserves and short-term cash flows. This cash is invested partly by an external cash manager and partly in house.
- 2.2 The Council's investment portfolio at the end of the first eight months of 2010/11 to 30 November 2010:

#### Table 1: Investment Position at 30 November 2010

	Invested at 30 November 2010
	£m
In-house time deposits	74.2
Santander (call account)	10.0
<b>Total In-house</b>	<b>84.2</b>
Aviva Investors	45.5
<b>Total All Investments</b>	<b>129.7</b>

2.3 The council is currently investing according to a low risk, high quality lending list and is using a policy which is more restrictive than the policy approved by the Treasury Management Strategy 2010/11. A significant proportion of funds is placed with the UK Government Debt Management Office for a period of up to twelve months.

2.4 Other counterparties also have a time limit of one year. Higher minimum ratings for overseas institutions are currently adhered to. At this time, there are no deposits placed outside the UK.

2.5 Performance of the Council's investments versus the benchmark is:

**Table 2: Investment Performance to 30 November 2010**

	Average Interest rate year to date	Target rate (7 day LIBID (+10% for Aviva))	Variance
	%	%	%
In house	0.37	0.43	-0.06
Santander call account	0.80	0.43	0.37
<b>Total In house</b>	<b>0.43</b>	<b>0.43</b>	<b>0.00</b>
Aviva Investors	1.80	0.47	1.33
<b>Total All Investments</b>	<b>0.94</b>	<b>0.44</b>	<b>0.50</b>

**Table 3: Interest Earned to 30 November 2010**

	Year to date
	£000
In house	162
Santander	53
<b>Total In house</b>	<b>215</b>
Aviva Investors	539
<b>Total All Investments</b>	<b>754</b>



- 2.6 The table below details our consultant's view on interest rates. Based on this opinion, the money market will continue to be at current levels until 2011 when rate rises are predicted.

**Table 4: Interest Rate Forecast**

	Mar 2011	Jun 2011	Sep 2011	Dec 2011	Mar 2012	Jun 2012
Rate Forecast	0.50%	0.50%	0.50%	0.75%	1.00%	1.25%

Source: Sector Treasury Services

### 3 Borrowing

- 3.1 The O&S monitoring report at 31 July 2010 gave an overall outstanding Public Works Loans Board (PWLB) borrowing figure of £355.8m, which included £20m taken in the current financial year. Since this time, the Council has taken an additional loan of £20m from the Public Works Loans Board totalling £40m for the financial year to date. The table below details our performance against average rates to 30 November 2010, showing that the Authority timed the loans well against the interest rate cycle.

**Table 5: PWLB Performance versus Average Rate to Date**

Amount Borrowed	Average Rate %
WCC Loans totalling £40m	3.14
PWLB Average Rate to Date (18.5 year rate average)	4.35
<b>Out/(Under) Performance</b>	<b>1.21</b>

- 3.2 The Council still has a remaining borrowing requirement of around £20m. It is likely that this will be financed from internal cash resources.

### 4 Compliance with Treasury Limits and Prudential Indicators

- 4.1 During the first quarter of 2010/11, the Council operated within the treasury limits and Prudential Indicators set out in the Council's Treasury Policy Statement and Treasury Management Strategy. Full details of the Prudential Indicators set for 2010/11 are shown in **Appendix A**.

DAVID CLARKE  
Strategic Director, Resources  
Shire Hall  
Warwick  
January 2011

## Appendix A

PRUDENTIAL INDICATOR (1). AFFORDABILITY PRUDENTIAL INDICATORS	2008/09	2009/10	2010/11	2011/12	2012/13
	actual	estimate	estimate	estimate	estimate
<b>Capital Expenditure</b>	<b>£'000</b> 109,189	<b>£'000</b> 114,467	<b>£'000</b> 140,699	<b>£'000</b> 22,102	<b>£'000</b> 2,532
<b>Ratio of financing costs to net revenue stream</b>	% 9.22	% 9.84	% 11.28	% 11.28	% 10.99
<b>Net borrowing requirement</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
brought forward 1 April	282,685	305,142	372,824	403,722	403,672
carried forward 31 March	305,142	372,824	403,722	403,672	401,120
in year borrowing requirement	22,457	67,682	30,899	(50)	(2,553)
<b>In year Capital Financing Requirement</b>	<b>£'000</b> 40,618	<b>£'000</b> 37,486	<b>£'000</b> 30,799	<b>£'000</b> (13,833)	<b>£'000</b> (16,414)
<b>Capital Financing Requirement as at 31 March</b>	<b>£'000</b> 329,246	<b>£'000</b> 366,732	<b>£'000</b> 397,530	<b>£'000</b> 383,697	<b>£'000</b> 367,283
<b>Affordable Borrowing Limit</b>					
<b>Position as agreed at March 2007 Council</b>	£ 14.13	£ 7.05	£	£	£
Increase per council tax payer					
<b>Position as agreed at February 2008 Council</b>	13.15	14.80	9.33		
Increase per council tax payer					
<b>Position as agreed at March 2009 Council</b>	12.87	22.46	16.10	2.17	
Increase per council tax payer					
<b>Updated position of Current Capital Programme</b>					
Increase per council tax payer	11.91	15.28	22.46	9.50	-3.44
<b>PRUDENTIAL INDICATOR (2). TREASURY MANAGEMENT PRUDENTIAL INDICATORS</b>	<b>2008/09</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>
	approved	approved	estimate	estimate	estimate
<b>Authorised limit for external debt -</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Borrowing	431,739	463,481	489,204	467,927	467,773
other long term liabilities	600	12,000	12,000	12,000	12,000
<b>TOTAL</b>	<b>432,339</b>	<b>475,481</b>	<b>501,204</b>	<b>479,927</b>	<b>479,773</b>
<b>Operational boundary for external debt -</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Borrowing	359,783	386,234	407,670	389,939	389,811
other long term liabilities	500	10,000	10,000	10,000	10,000
<b>TOTAL</b>	<b>360,283</b>	<b>396,234</b>	<b>417,670</b>	<b>399,939</b>	<b>399,811</b>
<b>Upper limit for fixed interest rate exposure</b>					
Net principal re fixed rate borrowing / investments	100%	100%	100%	100%	100%
<b>Upper limit for variable rate exposure</b>					
Net principal re variable rate borrowing / investments	25%	25%	25%	25%	25%
<b>Upper limit for total principal sums invested for over 364 days (per maturity date)</b>	£ £0	£ £0	£ £0	£ £0	£ £0
<b>Maturity structure of new fixed rate borrowing during 2008/09</b>	upper limit	lower limit			
under 12 months	20%	0%			
12 months and within 24 months	20%	0%			
24 months and within 5 years	60%	0%			
5 years and within 10 years	100%	0%			
10 years and above	100%	0%			

**AGENDA MANAGEMENT SHEET**

**Name of Committee** Overview and Scrutiny Board

**Date of Committee** 12th January 2011

**Report Title** **Review of Communication with the Public and Financial Accountability**

**Summary** Stage one of this review is complete and the task and finish group has now embarked on stage two. This report provides the Overview and Scrutiny Board with an update on progress with the review and seeks agreement to extend the length of time the review takes to complete.

**For further information please contact:**

Councillor Tim Naylor  
Tel: 07970 727134  
cllrnaylor@warwickshire.gov.uk

Paul Williams  
Overview and Scrutiny Officer  
Tel: 01926 418196  
paulwilliamscl@warwickshire.gov.uk

**Would the recommended decision be contrary to the Budget and Policy Framework?** No.

**Background papers** None

**CONSULTATION ALREADY UNDERTAKEN:-** Details to be specified

- Other Committees  .....
- Local Member(s)  .....
- Other Elected Members  Councillor Chris Saint, Chair of Overview and Scrutiny Board - For information
- Cabinet Member  .....
- Chief Executive  .....
- Legal  Jane Pollard
- Finance  .....
- Other Strategic Directors  Strategic Director, Customers, Workforce and Governance, Strategic Director, Resources – For information

District Councils  .....

Health Authority  .....

Police  .....

Other Bodies/Individuals  .....

**FINAL DECISION Yes**

**SUGGESTED NEXT STEPS:**

Details to be specified

Further consideration by this Committee  .....

To Council  .....

To Cabinet  .....

To an O & S Committee  .....

To an Area Committee  .....

Further Consultation  .....

## Agenda No 7

### Overview and Scrutiny Board - 12th January 2011

#### Review of Communication with the Public and Financial Accountability

#### Report of Councillor Tim Naylor - Chair of Task and Finish Group.

##### Recommendation

That the Overview and Scrutiny Board notes the current progress with the review of Communication with the Public and Financial Accountability and agrees to extend the timescale for the review to April 2011.

1. Members will recall that at its meeting of 21<sup>st</sup> July 2010 the Overview and Scrutiny Board commissioned a "Review of Communication with the Public and Financial Accountability".
2. The review which is being undertaken by a group of five elected members was commenced in August and early on it was agreed that the most pressing aspect to it was that concerning communication with the public. The urgency came from the fact that in common with most public bodies the County Council is facing a period of uncertainty regarding the resources it has and the services it can provide. Stage one of the review, that pertaining to communication with the public, is now essentially complete. The panel's conclusions and recommendations were reported to the Overview and Scrutiny Board on 10<sup>th</sup> November and to Cabinet on 16<sup>th</sup> December 2010. However, unlike most in-depth scrutiny reviews when all recommendations are approved before implementation the urgent need to communicate key messages to the public and staff meant that implementation of the recommendations commenced ahead of the committee process being completed. As a result of this decision the councils leaders have engaged in face to face briefings, regular updates are now being produced, the "You Choose" software has been featured on the council's web site and the concept of "tough choices" has been promoted.
3. With stage one of the review essentially complete the panel has turned its attention to stage two. This is looking at financial information and accountability. Compared to stage one this is a more complex matter to address. Early discussions amongst the members of the task and finish group suggest that it is likely that a range of different approaches may need to be considered if a) decision makers are to be held to account for their actions

and b) the financial information members have to work with meets their needs and those of the authority.

4. The task and finish group is set to meet again on Thursday 13<sup>th</sup> January 2011. In that meeting the group will debate the concept of accountability before exploring the new Agresso financial management system and considering ways in which the information held can be interrogated and understood by members. Finally on the 13<sup>th</sup> January the group work to identify gaps in the information that is now or will be available to members in the future.
5. Because stage one of this review took priority over anything else it was not possible to progress stage two until now. This means that the original timescale that anticipated the completion at the end of October 2010 has not been met. It now seems likely that the review will be completed in April 2011 and the Overview and Scrutiny Board is asked to agree to this extension. At the time of writing this report (6.12.10) the review had occupied 132.5 hours of the 250 hours originally allocated.

COUNCILLOR TIM NAYLOR

Shire Hall  
Warwick

02 December 2010

## Agenda Item 8

### Extract from the Minutes of the meeting of Cabinet held on 16 December 2010

#### 1. (5) Provisional Local Government Finance Settlement

Cabinet received a presentation from Dave Clarke, Strategic Director of Resources, on the main points in the Government's provisional local government finance settlement. It was noted that further information was still awaited, including the allocation of school funding and some grants, and that it was not possible to give an exact picture of the County's position.

The key features of the proposals include protection to reduce the front loading of cuts and increased protection for the more deprived authorities, but also a significant decrease in resources. The announcement had been widely reported as having the most negative effect on metropolitan authorities, who had previously attracted a higher level of specific grants to address particular deprivation and challenges. Many of these grants had now gone/been subsumed.

The spending power for Warwickshire County Council had been reduced by only -1.3% compared to losses elsewhere of 8% and reductions for the Warwickshire district and boroughs of between -5.0% and 6.8%. Cabinet were cautioned against thinking this meant that the County Council had 'done well' as the picture is distorted by other factors in local government financing. The new banding system results in the County Council making a higher contribution to protect the less affluent authorities. Warwickshire has a grant loss of -12.6% contributing £5.3 million to the fund.

Cabinet was advised that the Council could expect to have a £8.765 million gap in the Revenue Budget in 2011/12, additional to the savings plans already identified. Options for closing the gap include taking the cuts in the areas where the grants had been cut or looking to other areas for additional savings.

It was hoped that information on direct support grant would be available before Christmas, Fire funding announcement was expected on 17 January. It was also unsure how much Warwickshire and sub-region would benefit from the Regional Growth Fund which would be allocated following bids from any part of the country (not necessarily from LEPs).

It was noted that the deadline for response to the consultation on the proposals was 21 January and that the final settlement would be known late January/early February. It was agreed that Group Leaders be provided with a spreadsheet of the grants, to enable them to calculate the effects of changes and assist in their consideration of budget options.

# Cabinet

16 December 2010

## **Provisional Local Government Finance Settlement and the Implications for the County Council**

Dave Clarke  
Strategic Director, Resources



# The Mechanics of the Settlement

- CSR announced total formula grant for authorities through to 2014/15
- Local Government Finance Settlement sets out how grant will be distributed between authorities
- Settlement only for two years
- Second two year settlement will follow, with a new distributional system
- Provisional settlement is the start of a consultation period
- Final settlement due late January/early February

# Key Features of the Proposals

- Protection to reduce the front loading of cuts
- Increased protection for more deprived, less affluent authorities
- Specific grants and Area Based Grant now part of the settlement
- One year support for 0% council tax rises confirmed
- A significant decrease in resources available

# Protection Against Front Loading

- Transitional funding of £85 million nationally for 37 authorities worst affected by the settlement
- Based on ‘revenue spending power’
  - broadly grants + council tax + NHS funding
- Receive grant if spending power decreases by more than 8.9%
- WCC only reduces by -1.3%
- Districts/boroughs range: -5.0% to -6.8%
- It does **not** mean we have “done well”
  - distorted by ratio of grant to taxbase and therefore need to taxbase

# Protection for Deprived/Less Affluent Authorities

- Variation of the 'floors' mechanism
- New banding system which means the most grant dependent authorities have least reductions
- Floors of -11.3% to -14.3%
- All authorities above their 'floor' fund the support for authorities below their floor
- Warwickshire is in the 14.3% band for most affluent authorities
- Our grant loss of -12.6% means we are contributing £5.3 million to the floor

# Protecting Council Tax Payers

- Grant of £650 million nationally to implement a council tax freeze in 2011/12
- If the cost is more than £650 million the money will be found from elsewhere in the local government finance settlement
- Funding to support the freeze for four years
- No funding to support continuation of the freeze beyond 2011/12
- If Warwickshire freezes council tax in 2011/12 we receive grant equal to a 2.5% increase

# Grants

- Number of grants reduced from over 100 to about 12
- None are ring-fenced except schools grant and a new public health grant
- Other WCC grants:
  - Early Intervention, £17.336 million next year
  - Learning Disability and Health Reform, £11.716 million next year
  - New Homes Bonus – not yet announced
  - Regional Growth Fund – not yet announced
  - NHS funding to support social care and benefit health, £6.027 million to be paid via a Section 276 agreement
- Decisions yet to be taken on Stronger Safer Communities, Music Grant, Fire Grants
- All other grants merged into Formula Grant (mainly reduced) and DSG or stopped

# Schools Funding

- Mainstreaming relevant grants into DSG including School Standards Grant, School Development Grant, School Lunch Grant
- Per pupil minimum funding guarantee of -1.5% (before pupil premium)
- Pupil premium of £430 for each 'deprived' pupil based on eligibility for free school meals
- Provisional allocations for authorities have not been announced

# WCC Headline Government Grant Figures

	2010/11	2011/12	Change
	£m	Provisional £m	£m
Formula Grant	92.092	100.667 *	8.575
Specific Grant/ABG	97.995	-	(97.995)
DSG	295.248	339.790	44.542
Early Intervention Grant	-	17.336	17.336
	<hr/>	<hr/>	<hr/>
	<b>485.335</b>	<b>457.793</b>	<b>(27.542)</b>
	<hr/>	<hr/>	<hr/>

\* Excludes £6.704 million for concessionary fares

**Note** : grant figures for 2010/11 are as published by the Government  
 : headline figures hide big variations for individual services  
 : DSG figures assume cash freeze i.e. £44.542 is the specific grants going into DSG



# WCC Revenue Budget in 2011/12

£m

Decrease in grant funding	27.542
Spending pressures funded	7.697
Inflation and capital financing	7.397
Base changes	( 3.273)
<b>Total 'Gap'</b>	<b>39.363</b>
<i>less draft savings</i>	<i>(23.061)</i>
<i>less 2.5% council tax increase</i>	<i>( 7.537)</i>
<b>Residual Gap</b>	<b>8.765</b>

# Residual Issues

## Negative

- CYPF savings from grant
- E&E savings from grant
- E&E waste savings
- Review of AHCS demography
- Review of inflation
- Extra provision for redundancy costs

## Positive

- Concessionary fares pressure
- Capital financing costs
- NHS money
- Taxbase ?

# Options for Closing the Gap

- Leave cuts in grant where they lie
- Identify additional savings
- Use potential increases in funding to plug the 'worst' gaps
- Use NHS funding of £6.027 million imaginatively to fund adult social care pressures, creating capacity
- Reduce/remove provisions

# Medium Term Revenue Position

- Future years broadly unchanged
- Close the gap in 2011/12 and budget continues to balance
- Any relieving of savings targets would result in need to identify alternative savings

# 2011/12 Capital Allocations

- All capital allocations provided as grant (not supported borrowing)
- LTP and Adult Social Care settlements better than forecast
- Schools settlement is worse especially “devolved formula capital”
- Fire settlement not yet announced
- No resources are ring-fenced
- Replacement for BSF not yet announced

# Implications for Warwickshire's Capital Programme

	November Position		Latest Position		Change	
	2011/12 £m	2012/13 £m	2011/12 £m	2012/13 £m	2011/12 £m	2012/13 £m
Local Transport	10.485	11.385	13.294	13.504	2.809	2.119
Adult Social Care *	0.180	0.180	1.151	1.182	0.971	1.002
Schools *	22.945	27.720	17.494	17.494	(5.451)	(10.226)
Other Services Inc. Property	12.511	13.068	12.511	13.068	-	-
	<b>46.121</b>	<b>52.353</b>	<b>44.450</b>	<b>45.248</b>	<b>(1.671)</b>	<b>(7.105)</b>

Means "spare" borrowing of £8.849 million in 2011/12 and £8.652 million in 2012/13 funded in the revenue budget

\* Amount requested, but allocation restricted to the level of grant

**AGENDA MANAGEMENT SHEET**

**Name of Committee** Overview And Scrutiny Board  
**Date of Committee** 12 January 2011  
**Report Title** Scrutiny Reviews Progress Report and New Proposals for Task and Finish Groups  
**Summary** The Board is asked to comment on the progress of scrutiny reviews and consider any new proposals for task and finish groups to undertake reviews.

**For further information please contact:** Jane Pollard  
 Democratic Services  
 Manager  
 Tel: 01926 412565  
 janepollard@warwickshire.gov.uk  
**Would the recommended decision be contrary to the Budget and Policy Framework?** No.

**Background papers** None

**CONSULTATION ALREADY UNDERTAKEN:-** Details to be specified

- Other Committees  .....
- Local Member(s)  N/A
- Other Elected Members  Councillors Chris Saint, Les Caborn, Mike Doody, June Tandy, John Whitehouse
- Cabinet Member  For information Councillors: Colin Hayfield, Peter Butlin, Martin Heatley.
- Chief Executive  .....
- Legal  Jane Pollard
- Finance  .....
- Other Strategic Directors  David Clarke, Strategic Director of Resources, Monica Fogarty Assistant Chief Executive
- District Councils  .....

Health Authority  .....

Police  .....

Other Bodies/Individuals

**FINAL DECISION YES**

**SUGGESTED NEXT STEPS:**

Details to be specified

Further consideration by this Committee  .....

To Council  .....

To Cabinet  .....

To an O & S Committee  .....

To an Area Committee  .....

Further Consultation  .....



**Overview and Scrutiny Board - 12th January 2011.**

**Scrutiny Reviews Progress Report and New Proposals for Task and Finish Groups**

**Report of the Strategic Director Customers, Workforce and Governance**

<p>Recommendation</p> <p>That the Overview and Scrutiny Board</p> <p>(1) Comments on the progress of the scrutiny reviews  (2) Considers any new proposals for task and finish groups  (3) Decides which groups it wishes to commission and appoints the members and chairs of those groups.</p>
--

**1. Proposals for new Task and Finish Groups**

No proposals have been identified at the time of writing

**2. Scrutiny Reviews Progress Report 2010/11**

<b>Topic</b>	<b>Reports to Parent Committees</b>	<b>Progress and Comments</b>
Hawthorn Ward	Health OSC 1.07.2010	Recommendations referred to PCT and NHS Partnership Trust. Recommendations accepted.
School Exclusions	Children & Young People OSC 8.9.2010	Cabinet endorsed the recommendations on 18/11/2010 subject to any financial implications arising from the recommendations being considered as part of the Budget and subject to emerging Government policy changes.
Safeguarding Children	Children & Young People OSC 8.9.2010	Cabinet endorsed the recommendations on 18/11/2010 subject to any financial implications arising from the recommendations being considered as part of the Budget and subject to emerging Government policy changes.
Child Adolescent Mental Health Services (CAMHS)	Adult Social Care & Health OSC 16.09.2010	The recommendations were approved by Cabinet on 16/12/2010, subject to any financial implications being considered as part of the Council's budget process.

<b>Topic</b>	<b>Reports to Parent Committees</b>	<b>Progress and Comments</b>
Support for Carers	Adult Social Care & Health OSC 16.09.2010	Cabinet on 16/12/2010 approved recommendations 1,2,3,4,8,11,12,and 13 subject to them being resource neutral and where information is required that it is provided electronically or via leaflets Recommendations 5, 6 and 7 were referred for consideration by the Health and Well-Being Board once established. Recommendation 9 ( capital allocation of £1.5M) was not accepted but it was agreed that these concerns be identified at the Housing Related Support Board Recommendation 10 was noted and Cabinet supported the continuation of the work already in existence.
Rugby A&E Services consultation	Adult Social Care & Health OSC 12.10.2010	Recommendations were endorsed by ASC&H OSC on 12.10.2010 and forwarded to Warwickshire PCT and UHCW
Ante Natal and Post Natal Services for Teenage Parents	Adult Social Care & Health OSC 8.12.2010	Recommendations endorsed by OSC on 8.12.2010. Scheduled for Cabinet 27.1.2011
Communication with the public and financial accountability	Overview & Scrutiny Board 12.1.2011	Phase 1 report being considered by Cabinet 27.1.2011
Public Service Reform	Overview & Scrutiny Board 12.1.2011	Reporting to Board and if recommendations agreed to Cabinet 27.1.2011
Household Waste Recycling Centres	Communities OSC 3.11.2010	Recommendations made and being implemented
Adult Social Care Prevention Services	Adult Social Care & Health OSC 24.1.2011	Review planning meeting held 26/10/2010. 3 evidence sessions - 9/11/2010, 24/11/2011 and 10/12/2011. Undertaken visits to telecare flats and users. On target for report to OSC 24.1.2011 and Cabinet 27.1.2011
Discharge from hospital and re-ablement	Adult Social Care and Health OSC 13 April 2011	Preliminary work being undertaken- substantive start in January 2011.
Supporting the local economy	Communities OSC 30 June 2011	Has had its first meeting to plan the review. Next meeting on 26 <sup>th</sup> January 2011

DAVID CARTER  
Strategic Director Customers,  
Workforce and Governance  
Shire Hall  
Warwick  
16 December 2010

### Criteria for Commissioning Scrutiny Reviews

The Overview and Scrutiny Strategy sets out the following criteria for deciding whether to undertake a scrutiny review

- Does this issue have a potential impact for significant section(s) of the population?
- Is it a matter of general public concern?
- Is the issue to be reviewed a key deliverable of a strategic and/or partnership plan?
- Is it a key performance area where the Council needs to improve?
- Is there a legislative requirement to undertake the review?

Secondly to ensure that reviews add value/ make a difference

- Are there adequate resources available to do the activity well?
- Is the overview and scrutiny activity timely?
- Is there a clear objective for scrutinising this topic?
- Is there evidence to support the need for overview and scrutiny?
- What are the likely benefits to the council and its customers?
- Are we likely to achieve a desired outcome?
- What are the potential risks?

Reasons to reject Items for overview and scrutiny might include

- An issue is being examined elsewhere - e.g. by the cabinet, working group, officer group, other body
- An issue was dealt with less than 2 years ago
- New legislation or guidance is expected within the next year
- There is no scope for overview and scrutiny to add value/ make a difference

**AGENDA MANAGEMENT SHEET**

**Name of Committee** Overview And Scrutiny Board

**Date of Committee** 12 January 2011

**Report Title** Work Programme

**Summary** The Board is asked to consider the items it would wish to include in its future work programme.

**For further information please contact:**

Jane Pollard  
Democratic Services  
Manager  
Tel: 01926 412565  
janepollard@warwickshire.gov.uk

Ann Mawdsley  
Principal Committee  
Administrator  
Tel: 01926 418079  
annmawdsley@warwickshire.gov.uk

**Would the recommended decision be contrary to the Budget and Policy Framework?** No.

**Background papers** None

**CONSULTATION ALREADY UNDERTAKEN:-** Details to be specified

Other Committees  .....

Local Member(s)  N/A

Other Elected Members  Councillors Chris Saint, Les Caborn, Mike Doody, June Tandy, John Whitehouse

Cabinet Member  For information Councillors: Colin Hayfield, Peter Butlin, Martin Heatley

Chief Executive  .....

Legal  Jane Pollard

Finance  .....

Other Strategic Directors  David Clarke, Strategic Director of Resources, Monica Fogarty Assistant Chief Executive

District Councils  .....

Health Authority  .....

Police  .....

Other Bodies/Individuals

**FINAL DECISION YES**

**SUGGESTED NEXT STEPS:**

Details to be specified

Further consideration by this Committee  .....

To Council  .....

To Cabinet  .....

To an O & S Committee  .....

To an Area Committee  .....

Further Consultation  .....

## Overview and Scrutiny Board – 12 January 2011

### Work Programme 2010-11

## Report of the Strategic Director Customers, Workforce and Governance

### Recommendation

That the Overview and Scrutiny Board considers the draft work programme at Appendix 1 and amends as appropriate.

#### 1. Draft Work Programme

A draft work programme for the Board is attached for consideration see Appendix 1. Proposals for task and finish groups are dealt with elsewhere on the agenda.

#### 2. Forward Plan Items

The following items relating to the remit of this committee are currently in the forward plan

#### Cabinet 27/01/2011

##### **Business Case for Warwickshire Direct - Leamington**

This report sets out a business proposal and funding arrangements for Warwickshire County Council's participation with Warwick District Council in a joint One Stop Shop in the Royal Pump Rooms, Leamington Spa.

##### **Voluntary Sector Developments**

Following from the report in June 2010, the report proposes changes to the Council's arrangements with the voluntary and community sector.

##### **Review of Communication with the Public and Financial Accountability**

The Overview and Scrutiny Board commissioned this review. The first component of it, the review of communication with the public, has been completed. This report contains the task and finish group's recommendations on that first component.

##### **Public Service Reform Scrutiny Review**

This report contains the views of the task and finish group, which if accepted by the Overview and Scrutiny Board will be forwarded on to Cabinet.

## **Emergency Management**

Partnership delivery agreement between WCC, Coventry CC and Solihull MBC for emergency management services.

## **Capital Programme Variations and Capital Review**

Variations to the capital programme and capital review. To go to Cabinet - 27th January 2011 or appropriate meeting of Council as and when variations to the capital programme are required. Following the decision of County Council in December 2001, Cabinet has delegated power to approve changes to the Capital Programme which are fully funded and cost less than £1.5 million. Variations to the Capital Programme above this threshold will have to be taken to the County Council. The nature of these reports are such that we cannot anticipate specific variations in advance.

## **2010/11 Projected Revenue Outturn – Quarter 3**

The report summarises the projected revenue outturn. It highlights the main reasons for any variations from the approved budget for each service and the projected reserves position at the year-end.

## **2010/11 Savings Plan – Projected Outturn as at Quarter 3**

To inform members of the progress on the delivery of the 2010/11 savings plan.

## **2010/11 Projected Capital Outturn – Quarter 3**

This report seeks Members' approval of changes to the capital expenditure and financing programme since September 2010.

## **Cabinet 17/02/2011**

### **Capital Programme Variations and Capital Review**

Variations to the capital programme and capital review. To go to Cabinet – 17 February 2011 or appropriate meeting of Council as and when variations to the capital programme are required. Following the decision of County Council in December 2001, Cabinet has delegated power to approve changes to the Capital Programme which are fully funded and cost less than £1.5 million. Variations to the Capital Programme above this threshold will have to be taken to the County Council. The nature of these reports are such that we cannot anticipate specific variations in advance.

## **Cabinet 17/03/2011**

### **Corporate Governance Audit**

Results of the 2009/10 corporate governance audit.

### **Capital Programme Variations and Capital Review**

Variations to the capital programme and capital review. To go to Cabinet - 17th March 2011 or appropriate meeting of Council as and when variations to the capital programme are required. Following the decision of County Council in December 2001, Cabinet has delegated power to approve changes to the Capital Programme which are fully funded and cost less than £1.5 million. Variations to the Capital Programme above this threshold will have

to be taken to the County Council. The nature of these reports are such that we cannot anticipate specific variations in advance.

### **2011/12 Service Estimates**

The Resources Directorate's service estimates for 2011/12.

### **3. Dates of Future Meetings**

The dates for future meetings of the Board at 2pm are as follows:

16 March 2011  
25 May 2011  
20 July 2011  
28 September 2011  
30 November 2011  
25 January 2012  
28 March 2012

DAVID CARTER  
Strategic Director Customers,  
Workforce and Governance  
Shire Hall  
Warwick  
15 December 2010



## Overview and Scrutiny Board Work Programme 2011

MEETING DATE	ITEM AND RESPONSIBLE OFFICER	OBJECTIVE OF SCRUTINY	Performance Management	Holding Executive to Account	Policy Review/Development	Overview	Raising Levels of Educational Attainment	Maximising independence for older people and adults with disabilities.	Pursuing a Sustainable Environment and Economy	Protecting the Community and making Warwickshire a safer place to live	Cross cutting themes/ LAA
16 March 2011	Annual O&S report to Council (Jane Pollard)										
	Property Review Update (Steve Smith)										
	Scrutiny Reviews Progress Report and new proposals (Jane Pollard)										
	O&S Board Work Programme (Jane Pollard)										
Dates to be fixed	Sub-Regional Programme of Collaboration (Monica Fogarty)										