

Overview and Scrutiny Committee

Held at Member's Lounge - Ryedale House, Malton, North Yorkshire YO17 7HH
on Thursday 2 July 2009

Present

Councillors Andrews, Clark, Cottam, Cussons (Vice-Chair), Raper, Mrs Shields (Chairman), Mrs Wilford and Windress

In Attendance

J Barnett, PCresswell Mrs E Hayes, J Ingham, Ms G Mattnewman, Miss L Sandall, A Winship

Minutes

10 Apologies for absence

There were no apologies for absence

11 Urgent Business

The Chairman reported that there were no items of urgent business to consider.

12 Declarations of Interest

Councillor Mrs Wilford declared a personal non prejudicial interest in item 8 (Sickness Absence/Attendance Management Policy) as an Employee of North Yorkshire County Council.

13 Decisions from other Committees

No items were called in

14 Attendance at Policy Committees

Members considered a report that provided them with a draft rota for attendance to observe at Policy committee meetings.

Appended to the report was guidance and a checklist to help Members with the process.

RESOLVED

That the draft rota and accompanying checklist be agreed and incorporated with the Council's Scrutiny Handbook.

15 Reconsideration of an Affordable Housing Review

Members considered a report that asked them to reconsider the decision taken at the 3 July 2008 meeting to undertake an affordable housing review.

The report outlined the background to the review, and reminded Members that they had asked Council to create a broad based Steering Group for Affordable Housing. Council had, however, resolved to instruct Community Services and Licensing Committee to consider affordable housing as a standing item on its agenda, and to consider how best to meet the aspirations expressed by Overview and Scrutiny Committee. The actions agreed by the Community Services and Licensing Committee on 25 September 2008 were outlined in the report, along with the Overview and Scrutiny Committee recommendations from the 9 October 2008 meeting.

The report informed Members that the Community Services Committee considered housing activity and issues at each of its meetings, via a standing item on Housing Performance and through guest speakers. The Community Services Committee also considered grant performance and the need for any amendments to better meet housing needs, together with staffing and other changes to meet the recommendations of the Audit Commission Review of Affordable Housing in North Yorkshire.

As a result the committee had monitored delivery of new affordable homes, which was on target at Christmas 2008 to meet an annual figure of 75 units for 2008/09. However, the collapse of the housing market and the sudden fall-off in affordable units through the Section 106 route meant that delivery had fallen short. The Committee had met with Yorkshire Housing to discuss means to improving delivery and would meet with house builders.

The report concluded that a scrutiny review on affordable housing should add to and not replicate the activities of the Community Services Committee. Given the activities that had been described in the report, Members considered there was very limited benefit in proceeding with a scrutiny review of affordable housing. They requested that this item be placed on the agenda in six months time in order to review this decision.

Resolved:

That this Committee does not undertake a review of affordable housing.

Annual Audit and Inspection Letter

Members considered the Annual Audit and Inspection Letter, which had been produced by the Audit Commission. It provided an overall summary of the Audit Commission's assessment of the Council. It drew on the most recent Comprehensive Performance Assessment (CPA) and the findings and conclusions from the audit of the Council for 2007/08.

The CPA carried out in 2004 assessed the Council as good. The assessments were now being updated in Councils where there was evidence of change. In the Direction of Travel report, two issues were considered. These were what evidence was there of the Council improving outcomes, and how much progress was being made to implement improvement plans to sustain improvement.

The letter listed the evidence that the Council was improving outcomes in the areas of opportunity and choice of housing and employment, diverse and vibrant communities, safe and inclusive communities and clean and sustainable built and natural environment. The letter reported that it was difficult to judge progress against the commitment to have an effective and integrated communication and transport network as there was a lack of data on key local performance indicators in this area. It also stated that the Council reported that its priority actions in the area of having efficient and effective high quality services accessible to everyone in a way that suited them were on target or close to being so. It had not, however made consistent improvement on its key performance indicators in this area.

Regarding how much progress was being made to implement plans to sustain improvement, the report indicated that the council had adequate plans for delivering improvement. The letter indicated that the Council had significantly reviewed its capital programme and revised some of the plans as it had become evident that the original objective was not achievable. The previous year's report had indicated that the Council had made slower than expected progress in some areas including developing a business Continuity Plan and ensuring all staff received development reviews. The letter reported that there had been further slippage on both. Staff absence was another area where improvement had not been as expected,.

The letter indicated that the Chief Finance Officer had reported that reserves were in a healthy position and were sufficient to cover emergencies and unforeseen liabilities. It indicated that the Council had made faster than average progress in the promotion of race equality, having gone from worst to best quartile on this indicator in the last three years.

The letter indicated that there were no significant weaknesses in corporate governance that would prevent improvement levels being sustained.

The appointed auditor Deloitte LLP had reported separately to Overview and Scrutiny committee on the issues arising from the 2007/08 audit and had issued;

- An audit report providing an unqualified opinion on the accounts and a conclusion on the value for money arrangements to say the arrangements were adequate.
- An opinion to state the whole of government accounts submission was consistent with the audited accounts
- A report on the Best Value Performance Plan confirming that the Plan had been audited.

For the purposes of the CPA, the auditor had assessed the Council's arrangement for the use of resources. These were split into 5 areas, being financial reporting, financial management, financial standing, internal control and value for money. Overall the assessment of the audit commission was 3 out of 4, which represented an improvement on the prior year scores.

The balance of the general fund at 31 March 2008 was £1,339,000 after the Council contributed £191,000 in 2007/08. This was within the target range for reserves set by the Council. Deloitte did not identify any fundamental weaknesses in the financial and accounting systems.

Resolved:

That the Annual Audit and Inspection Letter be accepted.

17 Sickness Absence/Attendance Management Policy

Members considered a report that provided them with information regarding sickness absence/attendance management policies to inform their review of the Council's sickness absence.

The report outlined the definition of a policy, and what should be included in a policy. The report noted that the current policy and procedure requirements provided for minimal operational management of attendance within team and departmental functions. Lack of employee and management responsibilities in detail gave way to minimum contact between employee and line manager. The key elements of what should be contained within a sickness absence/attendance management policy were outlined in the report.

It was reported that the main gaps between the current policy and recommended content were communication, support and management information reporting. The amended procedures gave a better understanding for all staff and what was expected of them. The procedures were transparent, consistent and fair considering equality and diversity measures expected of a public sector organisation. Employees would have a better understanding of the procedures and their responsibilities. Line Managers would be provided with better tools, including standard letters, clearer procedures, toolkits, FAQ's and step by step guides at managing individual cases, with access to the HR department for further guidance. The report highlighted that more aligned procedures for staff and management to follow for effective absence/attendance management were vital for a successful procedure, and indicated that the amended procedures would give this.

Members were informed that North Yorkshire County Council had made significant improvements in reducing absenteeism by introducing a range of incentives. Members requested that a representative of North Yorkshire County Council be invited to a future meeting of this Committee to share the County's ideas for improving absenteeism. Members were further informed that the Council's Senior Management Team received data on a regular basis from Human Resources which, it was felt, would be useful for Members to see to help them understand the reasons for sickness absence and the trends

Resolved:

- (i) That the report be received.
- (ii) That a representative from North Yorkshire County Council be invited to attend a meeting of this committee to discuss with Members their approach to sickness absence and monitoring
- (iii) That another District Authority of comparative size that has been performing well in this area for 2-3 years also be invited to attend a meeting of this Committee to discuss their approach
- (iv) That the management information currently received by the Council's Corporate Management Team be shared with Members.

18 **Overview and Scrutiny Procedure Rules**

Members considered a report which provided them with re-drafted Overview and Scrutiny committee procedure rules, including call-in and sought their views of whether they wished to recommend any amendments as part of the wider review of the constitution.

Members wished Officers to investigate the procedure of other authorities regarding the calling in of decisions recommended to Council. They also requested officers ask other Authorities about their procedure of Call in, in relation to the Proper Officer's determination as to whether an item was eligible for call in or not.

It was recommended that decisions involving expenditure or reductions in service (13.4 (ii)) that this figure remain at £25,000.

Resolved:

That the re-drafted procedure rules as detailed in Annex A be considered and that the Constitution Review Working Party be informed of the procedure of other authorities regarding calling in and the Proper Officers' determination.

19 **Customer Complaints Monitoring**

Members considered a report that informed them of the number and type of complaints received under the Council's complaints procedure for the period January – March 2009.

The annexes to the report included complaints monitored under individual service complaints systems, and also a summary of customer feedback to Community Leisure Ltd for the period January to March 2009 together with action taken where appropriate.

Resolved:

That the report be accepted.

20 **Officer Code of Conduct**

Members considered a report that briefed them on issues relating to the production of an Officer code of Conduct.

The action plan for implementation in 2008/09 in relation to the Annual Governance Statement included reference to the need for a bespoke Officer Code of Conduct. The report stated that the Council had an Officer Code of Conduct in place since 1995, but that this required some updating. Members were reminded that a Code of Conduct should fulfil at least the following functions:-

- a) It established minimum standards of conduct for employees.
- b) It established a mechanism for Officers declaring and registering interests
- c) It established rules in relation to gifts and hospitality.

Members were informed that despite two consultation papers on the subject there had been no indication that the Secretary of State would issue a Code of conduct for local government employees in the foreseeable future. It was therefore, important that the Council proceed to develop and adopt it's own updated code without delay.

Resolved:

That the report be received.

That, given the delay in Government coming forward with a Code of Conduct for local government employees, Members supported the proposed way forward recommended by the Council Solicitor and progress the introduction of an up to date Officers Code of Conduct.

21 **Service Risk Register - Environment**

Resolved:

That consideration of this item be deferred until the next meeting.

22 **Overview and Scrutiny Acting as the Audit Committee**

23 **Annual Internal Audit Report 2008/09**

Annual Internal Audit Report 2008/09.

Members considered a report, which presented the annual Internal Audit Report for 2008/09 from the North Yorkshire Audit Partnership.

The report, detailed in Annex A to the main report, provided an assurance statement for the financial systems of the Council, based on the work undertaken to date, and part experience. Members were reminded that there was an element of interpretation and balanced judgement in the Audit.

Members questioned the grading of satisfactory on the ICT risk assessment, and it was agreed that Officers would provide a synopsis for Members regarding that particular assessment. Members requested more information be provided concerning the overspend identified in the briefing note circulated at the meeting, and it was agreed that Officers would circulate it.

Overall, it was reported that the Council was on the way to embedding Risk Management within the organisation, and that the Corporate Governance arrangements were sound. Internal controls within the financial systems in operation throughout the year were fundamentally sound, with 96% of audits completed having a good or satisfactory audit opinion.

Resolved:

That the Annual Internal Audit Report for 2008/09 be approved

Councillor Clark requested that his vote against approval be recorded, insofar as he had formally requested background information on the overspend, which had not been forthcoming.