

Decision Digest

Edition 142

Monthly summary of the decisions taken at meetings of the Council, Cabinet, Overview & Scrutiny and other Panels for the period 29th January to 26 February 2014.

HUNTINGDONSHIRE DISTRICT COUNCIL CORPORATE PLAN 2014-16

The Overview & Scrutiny Panels have reviewed the proposed vision, strategic themes and aims for the 2014-16 District Council Corporate Plan.

Members of the Economic Well-Being Panel have been pleased to note that the clear message underpinning the Corporate Plan is the need to provide value for money. The Panel has made a number of suggestions in relation to the vision and each of the four strategic themes within the Plan. These have been recommended to the Cabinet for their consideration.

The Social Well-Being Panel has suggested that the Corporate Plan Working Group should be involved in devising the performance monitoring arrangements for the Plan and that the Working Group should have a role to play in monitoring the Council's performance. Comment was also made on the need to ensure that decisions about the future delivery of Council services are informed by the Corporate Plan. These views have been echoed by the Environmental Well-Being Panel who have also suggested that there should be reference to the people of Huntingdonshire as a key theme running throughout the Plan.

The Cabinet has subsequently endorsed the recommendations of the Panels and has requested that they be incorporated in the final version of the Plan for consideration in the April cycle of meetings.

BUDGET 2014/15 AND MEDIUM TERM PLAN 2015 TO 2019

The Overview & Scrutiny Panel (Economic Well-Being) and the Cabinet have reviewed the Medium Term Plan (MTP) for 2015 to 2019 and the Budget and the level of Council Tax for 2014/15.

With regard to the level of Council Tax, the majority of Panel Members have endorsed the view of Executive Councillors that the Authority should freeze its current level of Council Tax for the forthcoming year and accept the Government's Council Tax Freeze Grant. However, the Chairman has suggested that representations should be made to Government that the offer of the grant on a percentage basis rewards higher spending local authorities.

The Panel and Cabinet have noted that the reduction in forecast expenditure will now mean that the Authorities forecast Net Interest and Borrowing Costs will represent 16.4% of Net Spending in 2018/19. Having reviewed the options that are available to keep within the limit of 15%, the Cabinet has concurred with the Panel that in the

current circumstances the Council should be recommended to approve the proposed MTP. However, Members have been pleased to note that a careful review of the capital programme will be undertaken in the forthcoming year with a view to making further savings. The Panel also intend to continue to monitor this activity and has established a working group to give further consideration to the question of the gross costs of capital.

Having emphasised that it will remain critical to identify the necessary savings for future years and that careful monitoring will need to continue to take place, the Panel has endorsed the report to Cabinet. Subsequently and having received the views of the Liberal Democrat Group and the business community, the Cabinet has recommended to Council that the proposed Budget and Medium Term Plan be approved and that Council Tax for 2014/15 is not increased.

2014/15 TREASURY MANAGEMENT STRATEGY

In accordance with its responsibility for scrutinising Treasury Management, the Overview & Scrutiny Panel (Economic Well-Being) has reviewed and endorsed the Treasury Management Policy and Strategy for 2014/15. The aim of the Strategy is to provide strategic guidance on how the Council shall conduct its Treasury Management activity and is a key element of the Council's Code of Financial Management.

Subsequently, the Cabinet has recommended the adoption of the Policy and Strategy to Council.

CLINICAL COMMISSIONING GROUP: FINANCE AND COMMITTEE PERFORMANCE REPORT

Representatives of the Cambridgeshire and Peterborough (CCG) Clinical Commissioning Group have updated the Overview and Scrutiny Panel (Social Well-Being) on the financial and operational performance of Hinchingbrooke Hospital. The Hospital's outturn position is reported as being £2.9m over the contract value and the CCG is working closely with the Trust to improve this position.

The Hospital is performing well in a number of areas including its Accident and Emergency Department and its standards for infection control. Issues exist over the provision of medical staff, completion of mandatory training and local infection control issues.

Representatives of the CCG will return to the Panel in six months' time to deliver a further performance report.

FACING THE FUTURE – SUGGESTED PRIORITIES

The Overview and Scrutiny Panel (Environmental Well-Being) has approved a list of suggestions for savings to the Cabinet subject to changes to the way some items should be treated. Progress reports on the 'Facing the Future' project and the effect of it upon the performance of the Council against the Corporate Plan and on individual savings proposals will be submitted to the Overview and Scrutiny Panels as the project proceeds.

There is some concern that the transfer of some services via shared services or outsourcing will result in a loss of control, however, it has been recognised that this has to be weighed against the possible savings that might be achieved. Decisions on shared services and outsourcing will not be

taken without a detailed appraisal of all the Council's options.

The Cabinet has considered the recommendations of the Overview and Scrutiny Chairmen and Vice-Chairmen on priorities for further work following the first phase of the 'Facing the Future' process.

Having noted the work that has been undertaken to refine the Panel's recommendations and in recognising the level of work required to be undertaken by Chief Officer Management Team and Executive Councillors to deliver the savings, the Cabinet has agreed:

- ◆ that the list of suggestions be categorised into service areas and cascaded down to the Heads of Service to create an implementation plan, in consultation with Executive Leader, Managing Director and Portfolio Holders;
- ◆ that priority be given to those that will result in "quick wins" or will give the best returns within the short timescale; and
- ◆ that those suggestions deemed to have most impact on services to the public be held in abeyance until the financial impact of the items in list 1 and 2 have been fully investigated.

REVIEW OF FRAUD INVESTIGATION ACTIVITY

The activities of the Corporate Fraud Team during 2012/13 have been reviewed by the Corporate Governance Panel.

The Team has received subsidy and grants from the DWP for the work undertaken during 2012/13 around benefit fraud and has an acquired

further income from awards of costs and financial penalties. The Team has also been approached by a number of neighbouring authorities to create a shared service for fraud prevention and the viability of such a service is being reviewed.

REVIEW OF FRAUD PROSECUTION POLICY

The Corporate Governance Panel has endorsed changes to the Fraud Prosecution Policy and procedure. The changes have arising as a result of the Welfare Reform Act 2012 and the Council Tax Reduction Scheme. They introduce a more severe penalty regime for those committing fraud by increasing the levels of financial penalties for cases dealt with out of court and gives authorities the power to investigate fraud under the new Council Tax Reduction Scheme and to apply financial penalties and bring prosecution.

WHISTLEBLOWING REVIEW OF FRAUD INVESTIGATION ACTIVITY

A summary of allegations received under the Council's whistle blowing policy during the period 1st November 2012 and 31st December 2013 has been noted by the Corporate Governance Panel.

It was reported that 16 incidents were received through the various whistle blowing channels over the past year, down 50% on the previous year. The Panel was advised that the loss of the District-Wide publication may have impacted on the numbers received.

NATIONAL FRAUD INITIATIVE

The work undertaken by the Council on the potentially fraudulent matches in data provided by the Audit Commission has been noted by the Corporate Governance Panel.

INTERNAL AUDIT OPINIONS

The Corporate Governance Panel has been informed of the terminology associated with the annual internal audit opinion and internal audit reports. The Panel has noted that opinion levels and supporting definitions were regularly reviewed and that managers were required to achieve at least an “adequate” level of assurance across their systems and processes.

INTERNAL AUDIT SERVICE: INTERIM PROGRESS REPORT

The Corporate Governance Panel have noted progress by the Internal Audit Service during 1st April to 31st December, together with associated performance issues. The Panel has brought their concerns relating to a number of matters identified within the report to the attention of the Internal Audit Manager. Such concerns relate to the targets set for the completion of agreed audit actions and the failure of some managers to respond to the six monthly establishment reports.

EXTERNAL AUDITOR ISA260 REPORT: 2012/13 IMPLEMENTATION OF RECOMMENDATIONS

The Corporate Governance Panel has noted the significant progress made to implement the recommendations of the Council’s External Auditor, PricewaterhouseCoopers, following the audit of the 2012/13 Statement of Accounts. Progress continues to be made to implement all the accepted recommendations by the end of June 2014.

TRAINING OF PANEL MEMBERS

Suggestions for training for the Corporate Governance Panel based on the anticipated work programme over the ensuing year have been noted. A presentation was requested on the

various sections of the Council’s Constitution.

The Panel has approved a knowledge and skills framework for Audit Committee Members produced by the Chartered Institute of Public Finance and Accountancy as the basis for a formal training programme. Areas covered by the framework include governance, financial management, risk management and external audit and counter fraud.

FINANCIAL MONITORING

The Assistant Director, Finance and Resources has drawn the Cabinet’s attention to spending variations in the revenue budget for the current year and modifications to the approved capital programme. It was noted that the New Homes Bonus for 2015/16 will be based on the increase in houses in the year ending October and that the Council was currently ahead of its profiled target.

EMPLOYMENT PANEL - ANNUAL REVIEW OF TERMS OF REFERENCE

The Employment Panel has undertaken the annual review of its terms of reference and constitution and had no specific changes that they wished to recommend to Council.

STAFF COUNCIL

Representatives of the Staff Council have addressed the Employment Panel to raise awareness of a number of issues and concerns currently being experienced by District Council employees. These included:

- ❖ arrangements and negotiations for any transfer of staff to Local Government Shared Services and

- ❖ the reorganisation of the senior management.

It was noted that training had taken place with the East of England Local Government Association to enable staff council representatives to better understand their responsibilities and duties.

LEAVE ARRANGEMENTS POLICY

The Employment Panel has reviewed and endorsed the contents of a new policy for leave arrangements for the organisation. The policy has been developed to formalise existing practices, to combine annual leave with other leave arrangements and to give managers and employees clarity when dealing with requests for leave.

DISABILITY AT WORK POLICY

Following a review of staff car parking arrangements by the Management Team, the Employment Panel has endorsed a proposal to amend the Council's Dignity at Work Policy in relation to car parking. Whilst the Authority will continue to support employees with a disability or mobility issue to park near to the work base, these staff will now be required to pay for parking at work in line with all other Council employees.

WORKFORCE REPORT (QUARTER 3)

The Employment Panel has received the quarterly report on Human Resource matters impacting on the performance of the organisation.

In terms of tackling sickness absence, the Panel was pleased to note that the average days sickness per FTE employee has reduced again in the last quarter to 7.9 days per annum and that this was also lower than the

corresponding period in the previous year.

In an effort to streamline the options for reporting sickness and to simplify the existing process, the Panel has endorsed a new set of categories for recording sickness absence with effect from 1 April 2014. These will continue to be reviewed over the next 12 months to ensure they continue to meet the needs of the Authority.

LGSS PERFORMANCE

The Employment Panel has considered the performance of LGSS Human Resources, Payroll and Organisational Workforce Development services across the key service measures agreed under the current contract during the period.

The Panel has welcomed the new format of this report and have noted that the majority of service standards have either been delivered or exceeded. To assist the Panel in monitoring performance levels and to create a balanced and impartial report, feedback from the LGSS Contract Manager and the views of District Council staff on each of these service areas also has been provided.

The Panel has noted that the following HR Policies will be reviewed in 2014/15:-

- ◆ Subsistence and Travel;
- ◆ Appraisal / Performance Development;
- ◆ Use of Social Media;
- ◆ Recruitment;
- ◆ Flexible Working.

A comprehensive review of the use of variable hour contracts will also be undertaken.

The Panel has discussed the recruitment element of the contract. In

view of the continuing issues in this area, Members have requested a report to their next meeting on the recruitment element of the contract and the progress which has been made.

PAY POLICY STATEMENT

The Localism Act (Section 38 and 39) requires the Authority to approve a pay policy statement for the forthcoming financial year by 31st March each year.

In recognition of the changes which will impact on the pay model following the implementation of the pay review this year and the need to ensure that the published information reflects the new arrangements, the Panel has requested the Council to authorise the Head of Paid Service, after consultation with the Chairman and Vice Chairman and the relevant Executive Councillor to approve the Pay Policy Statement for 2014/15 for publication by 1 April 2014.

PAY REVIEW PROJECT

An update on the progress being made on the Council's Pay Review Project has been given to the Employment Panel.

During a very full discussion, Staff Council representatives and a Member raised a series of issues which included the scale of the impact of the pay review on a large number of staff, matters associated with the appeals process and the potential for a reassessment of the protection package to affected employees. The Staff Council also highlighted the difficulties which they were facing in providing support to affected staff at this time. These and other points were responded to by the Executive Leader and the Managing Director. The Panel has thanked Staff Council representatives for their assistance during this difficult process.

PAY POLICY

Following the introduction of a new pay and grading framework and to ensure that the Council meets its obligations under the Localism Act, Equal Pay and other relevant employment legislation the Panel has endorsed, (subject to any substantive comments from a Member who felt that they were not in a position to comment fully at the meeting), the contents of a proposed new Pay Policy for the Authority. The policy which applies to all employees, sets out the key principles that must be adhered to in establishing employee pay levels and in approving pay related allowances. It also provides managers with guidance on the application of salaries and salary related payments.

DEVELOPMENT MANAGEMENT APPLICATIONS

The Development Management Panel considered 14 applications at their meeting in February. Of these, nine were approved, three refused and two deferred. The applications deferred related to proposals for a petrol filling station at the Co op foodstore in St Ives and a site for travelling show people off Fenton Road, Warboys. In terms of the St Ives application, the Panel requested legal advice on the sustainability of granting a further consent for the site given that previous permissions over many years have failed to be implemented. Following concerns about the adequacy of the observations from the Highways Authority on the Warboys application, the Panel has asked for clarification of their comments and has asked that Highways Officers be present when the application is reconsidered at a future meeting.