

**At a meeting of the MANAGEMENT SCRUTINY COMMITTEE held in the CIVIC CENTRE on THURSDAY, 14<sup>TH</sup> APRIL, 2011 at 5.30 p.m.**

**Present:-**

Councillor Tate in the Chair

Councillors M. Forbes, Miller, Morrissey, Rolph, Stewart and Walker.

**Welcome**

The Chairman welcomed everyone to the last meeting of the Management Scrutiny Committee for the current municipal year.

**Apologies for Absence**

Apologies for absence were submitted to the meeting on behalf of Councillors Mordey, Oliver and S. Watson.

**Minutes of the Last Meeting of the Committee held on 17<sup>th</sup> March, 2011**

**i) Policy Development and Review 2010/2011: Draft Report**

Councillor Rolph stated that she had said at the last meeting that 'a better records management process tended to improve the reputation of the Council' rather than 'the recognition of the Council' and it was:-

1. RESOLVED that the minutes of the last meeting of the Scrutiny Committee held on 17<sup>th</sup> March, 2011 (copy circulated), be confirmed and signed as a correct record, subject to the above amendment.

**Declarations of Interest (Including Whipping Declarations)**

There were no interests declared.

**Variation of Agenda**

The Chairman proposed, and it was agreed, that item 7 of the agenda, a report on the Draft Annual Report for 2010/11 be considered following the Audit Commission

Annual Audit Letter 2009/10, as the Head of Scrutiny and Localism needed to leave the meeting following consideration of the item.

### **Audit Commission Annual Audit Letter 2009/10**

The Head of Law and Governance submitted a report (copy circulated) providing Members with an opportunity to consider the Audit Commission's Annual Audit Letter for 2009/10, considered by the Cabinet on 6<sup>th</sup> April, 2011.

(For copy reports – see original minutes).

Mr. Gavin Barker, Audit Manager, Audit Commission, briefed the Committee on the report and highlighted that:-

- there were outstanding objections to the Council's accounts for 2007/08 and 2008/09 which meant that the District Auditor had been unable to issue his final certificate for those accounts and that he would be unable to issue the final certificate for the 2009/10 accounts until the objection was decided;
- progress had been made on the objections and the District Auditor had been recently able to share his preliminary views with both the Objector and the Council's Officers, however subsequently legal issues had arisen which were likely to lead to further delays;
- an unqualified opinion had been issued on the financial statements;
- a recommendation had been made to the Council that there was scope to streamline the financial statements and that the Council would need to ensure the successful implementation of International Financial Reporting Standards (IFRS) for the production of its 2010/11 financial statements.

With regards to the Value for Money conclusion, Mr. Barker advised that an unqualified conclusion stating that the Council had adequate arrangements to secure economy, efficiency and effectiveness in the use of resources had been issued. The Council faced challenges due to the significant front loading of government grant reduction confirmed within the local government finance settlements for 2011/12 and 2012/13. However the District Auditor considered the strengths in the Council's governance arrangements, its history of good financial management and the ongoing preparation through the Sunderland Way of Working, would help the Council to respond to these challenges.

In response Ms. Sonia Tognarelli, Acting Deputy Director of Financial Resources, stated that the audit had identified a number of relatively minor errors in the statements which had been amended. The Audit Commission had highlighted the challenges the Council faces which were being taken on board. Overall the Council was pleased with the overall findings of the 2009/10 Annual Audit Letter and agreed that it was well placed to deal with the Value for Money conclusions.

In response to Councillor Miller, Mr. Barker stated that he was unable to say when the Council's accounts for 2007/08, 2008/09 and 2009/10 would be signed off as the objections remained outstanding and legal issues which had arisen were likely to lead to further delays. This however was a technical issue and there were no issues with the financial accounts.

Ms. Tognarelli advised that in relation to the need to implement the International Financial Reporting Standards that this would not represent a significant cost to the Council and was a technical matter to put the necessary arrangements in place to meet the requirements.

The Chairman enquired what assistance the Audit Commission could offer to the Council to meet the challenges for the forthcoming year.

Mr. Barker stated that the Audit Commission was currently working on the 2010/11 Value for Money Assessment and the conclusion was that the Council was doing all the right things. The two areas which had been identified were firstly, for arrangements to monitor the savings the Council had identified to ensure delivery of the savings and if problems were identified for arrangements to be put into place to deal with the problems. Secondly, to monitor what was being done to identify future efficiencies and opportunities to make changes and improve service delivery.

Ms. Tognarelli confirmed that robust arrangements to monitor the savings identified were in place and that thought was being given to areas where this approach could be continued in order to protect frontline services as far as possible.

The Chairman having thanked Mr. Barker for his attendance; it was:-

2. RESOLVED that the report and the content of the Audit Commission's Annual Audit Letter for 2009/10 be received and noted.

### **Draft Annual Report 2010/11**

The Chief Executive submitted a report (copy circulated) providing the Committee with the opportunity to consider the draft Scrutiny Report for 2010/11.

(For copy report – see original minutes).

Ms. Charlotte Burnham, Head of Scrutiny and Localism presented the report to the Committee for approval and advised that it would be submitted to the Council at its meeting in June 2011, subject to any amendments by the Scrutiny Committee.

3. RESOLVED that the content of the Draft Scrutiny Annual Report for 2010/11 be approved and that it be submitted to the Council meeting in June 2011 for consideration and despatched to key stakeholders and placed on deposit in public places for information.

## **Policy Development and Review 2010/11: Draft Final Report**

The Chief Executive submitted a report (copy circulated) providing Members with the final draft report from the evidence gathered in relation to the Committee's policy review for the year on Smarter Working.

(For copy report – see original minutes).

Councillor M. Forbes referred to paragraph 7.3.4 of the report and enquired how staff working on annualised hours were managed and how this was rolled out.

In response Ms. Sonia Tognarelli, Acting Deputy Director of Financial Resources advised that the Council had in place a range of flexible working options, including home working, compressed hours and annualised hours which involved the manager looking at how many hours were needed in order to get the business done.

Mr. Nigel Cummings, Scrutiny Officer, added that the needs of the business were addressed service team by service team and any issues addressed on a rolling programme.

Mr. Mike Lowe, Assistant Head of Performance and Improvement, commented that Managers had at their disposal a range of flexible working options for employees to assist in monitoring staff, improving morale and to achieve a work life balance whilst maximising productivity and service delivery standards.

4. RESOLVED that the draft final report in relation to the Committee's policy review for the year on Smarter Working be approved and be submitted to the Cabinet for approval at its meeting in June 2011.

## **Performance Report Quarter 3 (April-December 2010)**

The Chief Executive submitted a report (copy circulated) providing the Scrutiny Committee with a performance update relating to the period April to December 2010 including a summary of:-

- progress in relation to the LAA targets and other national indicators; and
- results of the annual budget consultation.

(For copy report – see original minutes).

Mr. Mike Lowe, Assistant Head of Performance Improvement, briefed the Committee on the report advising that the top priorities identified in the annual budget consultation were detailed at section 3.1 and were listed in priority order.

Councillor Miller referred to the LAA theme Prosperous and Learning City NI 101 concerning Looked After Children and commented that he was horrified at the latest update which showed only 6% of Looked After Children achieving 5 A\*-C GCSEs (or

equivalent) at Key Stage 4 (with English and Maths). He pointed out that this had reduced from the December 2009 position of 10%. Councillor Miller went on to say that this indicator linked with NI 63 under the LAA theme – Healthy City, concerning the stability of placements of Looked After Children: length of placement, where the latest update showed this to be also in decline.

Councillor M. Forbes commented that she was pleased with the latest position in relation to NI 100 which showed 64% of Looked After Children reaching Level 4 in mathematics at Key Stage 2. However she added that she shared Councillor Miller's concern in relation to NI 101 above which remained not well addressed and endorsed everything that had been said on the matter.

Councillor Stewart advised that the above issues had been raised and discussed at the Children, Young People and Learning Scrutiny Committee meeting and that they would continue to be monitored by the Scrutiny Committee. He advised that one of the points picked up during the Scrutiny Committee's policy review carried out this year which looked at the issue of young people who are not in education, employment or training (NEET) in Sunderland was that Looked After Children 'fall through the net' and that there was a need to ensure that they were included. He advised that arising out of the review there was a recommendation for a further more detailed look at this issue for the coming year. Councillor Stewart stated that Members were corporate parents and that it was crucial that they worked to make sure that Looked After Children had the same opportunities as other children.

Mr. Lowe confirmed that the services were responding to the agenda and the issues had been reported and challenged by the relevant Scrutiny Committees which would continue to receive quarterly reports.

Councillor Rolph referred to Section 3.1.3 of the report relating to the roads and footways. She enquired whether the different responses concerning the condition of roads and footways when the responses were drilled down further, could be attributed to older people being more likely to be walking and younger people being more likely to be driving. Younger people would therefore notice the condition less and be more positive about the condition of roads and footpaths.

Councillor M. Forbes queried why the Council did not come down harder on Utility Companies for the problems they caused with the roads and footpaths.

Mr. Lowe advised that a report produced that week stated that Local Authorities should concentrate on preventative maintenance. Mr. Lowe advised that he would seek responses to Councillor Rolph and Councillor M. Forbes' queries from Street Scene and Highways Colleagues.

Councillor Rolph commented that the way domestic violence was being tackled was good, however the finance to support this was reducing and the situation needed to be monitored in order to ensure performance did not reduce as a result.

Councillor M. Forbes commented on the lack of facilities for young people and queried why football pitches which used to be open and accessible were now fenced off.

Mr. Lowe undertook to seek a response from City Services as to the Council's policy on access to sports facilities.

With regards to affordable housing, Councillor M. Forbes made the comment that in the areas where housing was being demolished the land was being sold off and so there was no new access to affordable housing.

The Chairman commented that it was important for future meetings that appropriate officers from the service directorates were in attendance so as to respond to Members' queries.

In response, Mr. Lowe advised that Officers were looking to strengthen the performance management arrangements, the governance and relationship between Committees to ensure the arrangements were robust and that a report would be submitted for the Committee to consider the proposed arrangements.

5. RESOLVED that the continued good progress made by the Council and the Sunderland Partnership and those areas requiring further development to ensure that performance is actively managed be noted.

#### **Forward Plan – Key Decisions for the Period 1<sup>st</sup> April, 2011 to 31<sup>st</sup> July, 2011**

The Chief Executive submitted a report (copy circulated) providing Members with an opportunity to consider those items in the Executive's Forward Plan for the period 1<sup>st</sup> April, 2011 to 31<sup>st</sup> July, 2011 which relate to the Management Scrutiny Committee.

(For copy report – see original minutes).

6. RESOLVED that the Executive's Forward Plan for the above period be received and noted.

#### **Scrutiny Committee's Work Programmes for 2010-2011**

The Chief Executive submitted a report (copy circulated) attaching for information, the variations to the Scrutiny Work Programmes for 2010/11 and providing an opportunity to review the Committee's own work programme for 2010/11.

(For copy report – see original minutes).

Ms. Sarah Abernethy, Acting Assistant Scrutiny Officer, briefed the Committee on the report.

The Chairman extended his thanks to all Chairs, Vice-Chairs and Members of the Scrutiny Committees for the work undertaken as well as to the Officers who had supported the Scrutiny Committees to carry out the huge volume of work over the last year.

7. RESOLVED that the variations to the Scrutiny Committees' Work Programmes be noted.

### **Urgent Item**

In accordance with Section 100(B) of the Local Government Act 1972 by reason of special circumstances in that the conference is scheduled to take place before the next meeting of the Scrutiny Committee and prior approval is needed in order to attend, the Chairman determined that the report requesting the Committee to nominate delegates to attend the Centre for Public Scrutiny's 9<sup>th</sup> Annual Conference and Exhibition be considered at this meeting as a matter of urgent business.

### **Request to Attend Seminar – Centre for Public Scrutiny's 9<sup>th</sup> Annual Conference and Exhibition**

The Chief Executive submitted a report (copy circulated) requesting the Committee to consider nominating delegates to the Centre for Public Scrutiny's 9<sup>th</sup> Annual Conference and Exhibition to be held on Thursday, 2<sup>nd</sup> June, 2011.

(For copy report – see original minutes).

8. RESOLVED that one Officer, together with Councillors Miller and Mordey be authorised to attend the above conference; the Members' attendances to be funded from the Scrutiny Committee's budget.

The Chairman, having reminded the Committee of the Annual Scrutiny Conference to be held on Thursday, 19<sup>th</sup> May at Crowtree Leisure Centre from 5.00 p.m., closed the meeting.

(Signed) R.D. TATE,  
Chairman.