



To: Members of the Performance
Scrutiny Committee

Date: 19 July 2012

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Dear Councillor

You are invited to attend a meeting of the **PERFORMANCE SCRUTINY COMMITTEE** to be held at **11.15 am** on **THURSDAY, 26 JULY 2012** in **CONFERENCE ROOM 1B, COUNTY HALL, RUTHIN.**

PLEASE NOTE: THERE WILL BE A MEMBER WORKSHOP FOR COMMITTEE MEMBERS AT 9.30 A.M. PRIOR TO THE COMMITTEE MEETING ITSELF

Yours sincerely

G. Williams
Head of Legal and Democratic Services

AGENDA

PART 1 - THE PRESS AND PUBLIC ARE INVITED TO ATTEND THIS PART OF THE MEETING

1 APOLOGIES

2 DECLARATIONS OF INTEREST

Members to declare any personal or prejudicial interests in any business identified to be considered at this meeting.

3 URGENT MATTERS

Notice of items which, in the opinion of the Chair, should be considered at the meeting as a matter of urgency pursuant to Section 100B(4) of the Local Government Act 1972.

4 MINUTES OF THE LAST MEETING (Pages 5 - 14)

To receive the minutes of the Performance Scrutiny Committee held on 28 June 2012 (copy enclosed).

5 FINANCE REPORT 2012/13 (Pages 15 - 32)

To consider a joint report by the Lead Member for Finance and Assets and the Head of Finance and Assets (copy enclosed) enabling the committee to review the Council's performance against its budget strategy for 2012/13 as defined in the Medium Term Financial Plan.

6 SCRUTINY WORK PROGRAMME (Pages 33 - 54)

To consider a report by the Scrutiny Coordinator (copy enclosed) seeking a review of the committee's forward work programme and updating members on relevant issues.

7 FEEDBACK FROM COMMITTEE REPRESENTATIVES

To receive any updates from committee representatives on various Council Boards and Groups.

PART 2 - CONFIDENTIAL ITEMS

EXCLUSION OF PRESS AND PUBLIC

It is recommended in accordance with Section 100A(4) of the Local Government Act 1972, that the Press and Public be excluded from the meeting during consideration of the following item of business because it is likely that exempt information as defined in paragraph 14 of Part 4 of Schedule 12A of the Act would be disclosed.

8 MONITORING THE CAPITAL PLAN (Pages 55 - 86)

To consider a joint confidential report by the Lead Member for Finance and the Head of Finance and Assets (copy enclosed) providing an update on the capital plan outturn position for 2011/12 and the latest position for the period 2012/14 and 2014/15 and seeking the committee's views thereon.

MEMBERSHIP

Councillors

Ian Armstrong
Bill Cowie

Geraint Lloyd-Williams
Peter Owen

Meirick Davies
Richard Davies
Huw Hilditch-Roberts
Colin Hughes

Allan Pennington
Arwel Roberts
Gareth Sandilands

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PERFORMANCE SCRUTINY COMMITTEE

Minutes of a meeting of the Performance Scrutiny Committee held in Council Chamber, County Hall, Ruthin on Thursday, 28 June 2012 at 9.30 am.

PRESENT

Councillors Ian Armstrong, Richard Davies, Huw Hilditch-Roberts, Colin Hughes (Chair), Geraint Lloyd-Williams, Peter Owen, Arwel Roberts and Gareth Sandilandsands and Co-opted Members D. Houghton, Dr D. Marjoram and J. Saxon.

Councillors G.M. Kensler, M.L. Holland, H.C. Irving, W.N. Tasker, E.W. Williams attended as Observers.

ALSO PRESENT

Head of Customers and Education Support (JW), Head of Education (KE), Head of Business, Planning and Performance (AS), Head of Internal Audit (IB), Education Finance Manager (CW), Section Manager: Network Management (TT), Service Manager: Quality and Systems Development (CM), Principal Housing Officer (GR) Customer Care Project Officer (SG), Scrutiny Coordinator (RE) and Administrative Officer (CIW).

The Chair informed the Committee that this would be the last meeting Mr John Saxon would attending as a Co-opted Member Representative. He thanked Mr Saxon for his valued contribution and hard work and wished him well in the future. Members of the Committee endorsed the sentiments expressed by the Chair.

1 APOLOGIES

Apologies for absence were received from Councillors Ms C. Burgess, William Cowie, Mrs. G. Greenland and Allan Pennington

2 APPOINTMENT OF VICE-CHAIR

In accordance with the Council's Constitution CVs/statements had been requested from interested parties for the office of Committee Vice-Chair. No CVs had been received. However, Councillor A. Roberts was proposed and seconded for the office of Vice-Chair. No other nominations were received and the Committee therefore:-

RESOLVED – *that the Councillor A. Roberts be appointed Vice Chair of the Performance Scrutiny Committee for the ensuing year.*

3 DECLARATION OF INTERESTS

No personal or prejudicial interest were declared

4 URGENT MATTERS AS AGREED BY THE CHAIR

No items were raised which in the opinion of the Chair, should be considered at the meeting as a matter of urgency pursuant to Section 100B(4) of the Local Government Act, 1972.

5 MINUTES OF THE LAST MEETING

The Minutes of a meeting of the Performance Scrutiny Committee held on Thursday, 5th April, 2012 were submitted.

RESOLVED – *that the Minutes be received and approved as a true and correct record.*

6 ESTYN ACTION PLAN

A copy of a joint report by the Head of Education, Head of Customers and Education Support, Partnerships and Communities Manager and Planning and Performance Officer: Business Planning and Performance, had been circulated with the papers for the meeting.

The report presented the action plan drawn-up in response to the recommendations of the recent inspection on the quality of the Council's education services for people and young people. It also sought Members' views on the appropriateness of the actions and timescales in the action plan report by the Head of Education. It was explained that effective monitoring of implementation of the Action Plan would ensure that any weaknesses identified would be addressed and provide for a better quality service and better outcomes for pupils.

Estyn had aimed to answer three key questions through an analysis of self-evaluation, performance data, lesson observations and meetings with stakeholders. Judgment on all three questions had been good. All other aspects had also been judged to be good, except for Leadership which had been judged as excellent.

Denbighshire had made education services for children and young people a high priority, with a clear vision and high aspirations for the Authority.

The reorganisation of the scrutiny arrangements had resulted in Scrutiny Committee Members having a better overview across the whole Council and a wider range of Members understanding education issues.

To ensure continued improvement, Estyn had recommended that Denbighshire would need to:-

- (i) Improve the accuracy of teacher assessments at end of key stage 3; and
- (ii) Identify all services for children and young people in Denbighshire and establish an effective system to measure their impact to help the authority and its partners know whether these services offered good value for money.

Denbighshire had produced an Action Plan indicating how it would address the two recommendations, and it was confirmed that recommendation 1 was on track. The

Plan, currently in draft, had been completed within the required 50 working days and would be implemented pending being approved by the pastoral HM Inspector.

Dr D. Marjoram referred to partnership working arrangements across North Wales and explained that there was a need to identify and clarify special needs levels within the County, and to include flexibility in the system to meet demand with Denbighshire leading other Authorities if necessary. It was explained that there were 6 Authorities in the consortium and agreement on working practices would have to be sought from all the respective schools in North Wales to ensure a consistent approach. Dr Marjoram referred to the good partnership work arrangements adopted at Ysgol Plas Brondyffryn, Denbigh.

The officers provided the following responses to questions from Members:-

- It was explained that reading and writing standards had improved in the County, however, in comparison with other authorities Denbighshire had not improved enough. This problem had been recognised in relation to the free school meal (FSM) indicator with standards in Key Stage 2 and 4 being very good, but assessment standards implemented at the end of Key Stage 3 seemed to have been too harsh. Councillor E.W. Williams explained that the Welsh Government (WG) Minister had, in view of the marked improvement in stage 2 level results, questioned the reliability of the Key Stage 3 assessment process.

- The Head of Customers and Education Support highlighted the importance of aligning budgets and prioritising resources to meet priorities. She explained that this could be attained through focusing and thinking creatively to achieve the best for the children and ensuring a sustainable infrastructure within the schools.

- In reply to issues raised regarding liaison and interaction between primary and secondary schools, the Head of Customers and Education Support confirmed that there was a clear transitional relationship between the schools. She referred to the cluster arrangements which had been adopted and the robust structures in place to ensure positive interaction.

In response to a question from the Chair, the Head of Education provided an outline of the MCA database in respect of partnership working, together with, confirmation that work was being undertaken with the Partnerships Team to ensure that the systems utilised were synchronised. She highlighted the importance of regularising the data collection systems and agreeing service provision with regard to the subsequent impact on standards achieved. Following further discussion, it was:-

RESOLVED:-

- (a) *to receive the report, and note the appropriateness of actions and timescales in the post inspection action plan in response to the recommendations from the Estyn inspection (Appendix 1); and*
- (b) *that a progress report on the implementation and delivery of the Action Plan be presented to the Committee in six months time.*

7 BUILDING CAPACITY IN SCHOOLS

A copy of a report by the Education Finance Manager, which detailed the outcomes achieved following the implementation of the Building Capacity in Schools Project, had been circulated with the papers for the meeting.

The Education Finance Manager introduced the report and informed the Committee of the project's impact on schools and the planned future developments to build on and develop this resource further. A summary of the background to the Building Capacity in Schools Project model, developed in 2011, had been included in the report. It had been recognised that there was not a one size fits all approach across each cluster and so the model was adapted where appropriate to meet the differential needs. The report outlined the final model adopted across each Cluster. The School Budget Forum had approved a revision to the funding formula for schools and the report outlined the final funded model adopted in April, 2012. In response to a question regarding Business and Finance Manager numbers in secondary schools in comparison with the number of feeder schools, the Education Finance Manager explained that all the schools in question received equal funding and adopted their preferred project model to suit the requirements of their cluster.

The implementation of Finance Managers had significantly improved the financial position of schools with 2012-13 figures suggesting that the number of schools in financial difficulty having reduced from 8 to 2. The adopted model had been recognised as best practice by Estyn and by other local authorities in Wales. The project had developed significantly with GAIA Technologies now adopting the model for the Schools ICT support, and Corporate HR was working with schools to develop a similar model for HR support.

All Business and Finance Managers meet monthly to discuss and develop specific areas across schools including with the forward work programme focusing on key areas including Financial management, Procurement, Training & Development, Health & Safety, Commissioning, HR. The Group would be pivotal in transforming the way support services in schools work in the future.

The following responses were provided in respect of questions from Members:-

- Sickness absenteeism cover support was provided by the network of School Finance Managers, with additional support available centrally from the Council if required.
- The Authority had the ability to access, monitor and scrutinise school finance systems at any given time and this mitigated the risk of any possible fraudulent activity. Internal Audit's active role in monitoring financial activity was also highlighted.
- Details of the reporting process to School Governing Bodies were outlined for Members. Each school was responsible for their reporting process with Finance Officers attending School Governor meetings if required.
- An outline of cluster arrangements with respect to primary schools in Denbighshire which were feeder schools for out of county secondary schools was provided e.g Ysgol y Castell, Rhuddlan being a feeder school for Ysgol Emrys ap Iwan, Abergele.

- The Education Finance Manager confirmed that she would be meeting with the respective Headteachers to discuss the Business Manager vacancy in Prestatyn in the near future.

In reply to a question, the Head of Customers and Education Support summarised the role of a Headteacher which required both managerial and teaching skills. She confirmed that training was provided with regard to procurement to assist with the business and budget management aspect of the role, and specific reference was made to the request to increase the delegation rate of funds to schools.

Councillor E.W. Williams referred to the proposal by some AMs that the entire Education Budget be hypothecated. He questioned whether schools would want such action in respect of delegation, and suggested that elected Members should be questioning the introduction of such measures and seeking clarification in respect of hypothecation from the Welsh Government (WG). The Education Finance Manager confirmed that a substantial amount of work had been undertaken nationally in respect of delegation, and explained that the targets for delegation for every Authority in Wales would be 85% by 2014/15. Following further discussion, it was:-

RESOLVED – to:-

- (a) *receive the report, and*
- (b) *note the outcomes to date and the ability of schools going forward to improve standards through the use of this resource.*

8 CORPORATE PERFORMANCE REPORT: QUARTER 4

A copy of a report by the Corporate Improvement Manager, which enabled the Council to evaluate progress across key areas of performance, had been circulated with the papers for the meeting.

It was explained that it would be normal practice to present the report to Scrutiny to include comments prior to being submitted to Cabinet, however on this occasion due to timescales this had not been possible. The Head of Business Planning and Performance explained that the report enabled the Council to evaluate progress and pick up trends across key areas of performance. The main report presented a summary of exceptions for each performance area. The Annex, Summary Exceptions Report, was supported by individual chapters which provide a more detailed summary of performance in each particular area.

Members were informed that Denbighshire was a high performing Council and that the Summary Exceptions Report should be considered in the overall context of the Council activities. The report provided information on key areas of performance for the Council, enabling the Performance Scrutiny Committee to carry out its performance management function. It presented the position at the end of Quarter 4 2011-12, which was the end of the period for the Corporate Plan 2009-12. A more comprehensive report to evaluate the Council's performance in 2011-12 would be published in October, 2012. The report would also place the Council's performance within the context of national performance where possible.

Details of the Council's overall performance across the key areas and the significant progress being made had been included in the report. A key consideration had been how to present performance. The Council had aligned the performance reporting of "indicators" and "performance measures" with the four Red, Orange Yellow and Green (ROYG) system used by Internal Audit Services for Risk Management, and this method had been applied retrospectively to the indicators and performance measures in the Corporate Plan 2009-12. The performance reporting of improvement activity, projects and actions, currently remained with the five RAG system used by the Corporate Project Management Methodology, which was currently under review and on completion would align with the four ROYG system. At present the reporting of improvement activity would continue with the current project management method. In response to questions from the Chair, the Head of Business Planning and Performance provided a summary of the new ROYG system and agreed that the areas in the current report which were still shown as 'amber' would be amended to 'orange' for consistency and ease of reference. It was confirmed that indicators were a mixture of the Authority's own requirements and national indicators.

Councillor H. Hilditch-Roberts explained that there was no indication of the experience and perception of service users in relation to the measurement of service delivery. The Section Manager: Network Management referred to the public perception that footways within the County had not improved. However, statistics proved otherwise and he felt that this could apply to a number of services and should be the subject of debate. The Service Manager: Quality and Systems Development felt that indicators should be accompanied with explanations, and he provided examples where indicators had been red but the Service in question had been performing well. Members agreed that the provision of a short explanation accompanying indicators would be beneficial.

The Head of Customers and Education Support explained that a range of measures were being developed to assess the level of service provided from a customer perspective. The Head of Business Planning and Performance explained that the indicators presently utilised attempted to demonstrate that the actions taken had been effective. In reply to questions details of the criteria for identifying indicators were outlined, and it was agreed that in future reference would be included as to whether indicators were national or local indicators.

In reply to a question from the Chair, the Head of Business, Planning and Performance provided details of the position in respect of Outcome Agreements with the Welsh Government.

Members supported the recommendation of the predecessor committee to establish a Working Group, consisting of four Members of the Committee, to meet with the Head of Internal Audit and Corporate Improvement Team personnel for the purposes of monitoring performance against the agreed indicators and agreements. The Committee agreed that Councillors R.J. Davies, C. Hughes, H. Hilditch-Roberts and A. Roberts be appointed to the Working Group.

RESOLVED – *that:-*

- (a) *the Performance Scrutiny Committee notes the exceptions associated with achieving the outcomes in the report, and that any performance related issues be pursued with the appropriate Head of Service and/or Lead Member, and*
- (b) *a Working Group be established consisting of Councillors R.J. Davies, C. Hughes, H. Hilditch-Roberts and A. Roberts to meet on a regular basis with the Head of Internal Audit and Corporate Improvement Team personnel for the purposes of monitoring performance against the agreed indicators and agreements.*

9 PERFORMANCE STANDARDS REVEALED THROUGH THE COMPLAINTS PROCESS

A copy of a report by the Head of Customers and Education Support, which provided information regarding performance issues identified via the 'Your Voice', customer feedback policy, and which made recommendations to address the policy and process accordingly, had been circulated with the papers for the meeting.

The Head of Customers and Education Support explained that the report presented an analysis of the feedback received through the Denbighshire County Council's customer feedback policy 'Your Voice' during Quarters 3 and 4 of 2011/12 and highlighted areas for improvement. She referred to the need to change the perception of complaints in terms of how they were reported, the process for dealing with them and the action taken by the Authority with regard to the information gained. There was a need to change the culture of the perception of complaints as being negative to it being a way to bring about positive improvements. There was also a need to encourage customers to put forward and submit complaints as this would be important in enabling the Authority to address processes which were not being undertaken to the satisfaction of the customer. Reference was made to the introduction of a pre-complaint process, where problems could be addressed prior to developing into a complaint, with information received being utilised to shape the services provided to the customer.

The Customer Care Project Officer provided a detailed summary of the report which included a summary of performance, information on the volume of complaints, complaint response times, categories of complaints and the outcomes of complaints. The data provided in the report included complaints recorded on the central CRM system, nevertheless not all complaints had been recorded for reasons indicated in the report. Further work was therefore required to ensure all complaints were recorded centrally.

There was an opportunity and need, to review 'Your Voice' to ensure the complaints process supported the Council's own ambitions and delivered the WG's aim. Details of areas for inclusion in the review had been outlined in the report. In response to a question from the Chair, the Head of Customers and Education Support anticipated that the outcome of the review would be reported to the Committee in September or October, 2012. Members of the Committee agreed that the Working Group, to be convened to monitor performance, also include within its remit consideration of the complaints process review. Members agreed that the Working Group be convened prior to the next meeting of the Scrutiny Committee.

Councillor H. Hilditch-Roberts referred to the complaint reporting process and highlighted the importance of ensuring consistency throughout all services when monitoring and addressing complaints. He also referred to the need to monitor and track the progress of each complaint received.

In reply to a question regarding the importance of strong communication links between the County and the Town and Community Councils, the Head of Customers and Education Support outlined the initiatives introduced to strengthen links with Town and Community Councils.

The Chair referred to complaints relating to Housing Services, page 87 of the report, complaints rising from 11 to 17, and also page 91 where only 4 out of 23 complaints in Q3 and 1 out of 21 in Q4 were responded to within the required timescale. A similar situation had also arisen with respect to social services complaints in both quarters on page 91. The Principal Housing Officer outlined the measures introduced by Housing Services to address and record complaints received and amend the follow up process. He confirmed that officers would receive training in respect of the complaints process and work would be undertaken with the public to improve customer services and relations. The Customer Care Project Officer informed Members that the complaints process in Housing Services had in some instances been misused as a request to expedite maintenance work, and he explained that a more accurate method of recording would be required to identify this type of complaint.

In reply to a question from the Chair regarding the number of 'Red' status showing in regards volumes of complaints in the Regeneration, Planning and Public Protection Service, the Customer Care Project Officer advised that volumes could fluctuate between periods. Where only a small number were received by a service area any change could show as a high percentage and due to the tolerance used they could therefore be flagged as 'Red'. He explained that this was the case with this service and advised that these be reviewed drawing attention to the end column of the table, Recommendation, which would provide a better impression of the need for action.

RESOLVED – that the:-

(a) *Corporate Complaints Officer review the current customer feedback policy in the context of the Authority's performance in complaints handling, and work with the Senior Leadership Team (SLT) to improve performance. The review to include, but not exclusively focus on, the issues identified in the report.*

(b) *Working Group, established to monitor Services' performance, include within its remit consideration of the Customer Complaints Process Review, and that the Working Group be convened prior to the next meeting of the Scrutiny Committee; and*

(c) *Committee receive a further report in the autumn detailing the changes proposed to the policy following the above review*

10 SCRUTINY COMMITTEE WORK PROGRAMME

A copy of a report by the Scrutiny Coordinator, which requested the Committee to review and agree its Forward Work Programme and provided an update on relevant issues, had been circulated with the papers for the meeting. Various appendices were attached to the report, references to which were included in the report.

The Scrutiny Coordinator referred to the draft Forward Work Programme (FWP) for future meetings as detailed in Appendix 1, which had been inherited from the former Committee. She referred to paragraph 4 of the report which set out the terms of reference and functions of the Committee, and highlighted the importance of the role of the Performance Scrutiny committee within the scrutiny process. Members agreed with the suggestion that a Workshop be convened to assist in identifying and clarifying the role of the Performance Scrutiny Committee with regard to performance management within the Authority and the role of the Corporate Governance Committee.

The Committee considered the draft FWP and it was agreed that the Workshop could also be utilised to examine the FWP. The Scrutiny Coordinator explained she had received a verbal request to defer the item on Planning Enforcement, currently scheduled for the July, 2012 meeting, and made reference to the excessive number of 10 items schedule for consideration at the September, 2012 meeting. Members agreed that the Planning Enforcement item be deferred and that a workshop on performance management, and the Committee's FWP, be held prior to its business meeting on the 26th July, 2012. The Workshop to commence at 9.30 a.m. and the public meeting to start at 11.15 a.m.

The Committee considered the appointment of Committee Representatives on the following Council Groups and Boards:-

Service Performance Challenge Groups – all Scrutiny Committees had been invited to appoint a representative to each Group to act as the Committee's contact for each service. An overview of the process had been included at Appendix 5 to the report. It was emphasised that the service leads appointed by the Performance Scrutiny Committee had an important and defined role to play in supporting and challenging services to deliver against their performance targets, business and efficiencies plans. The following Members were appointed:-

Housing & Community Development – Councillor C.L. Hughes
Children and family Services – Councillor A. Roberts
Adult & Business Services – Councillor C. Hughes
Environmental Services – Councillor R.J. Davies
Legal & Democratic Services and Business – Councillor W.L. Cowie
Business Planning and Performance – C.L. Hughes
Education and Customers & Education Support – Councillor A. Roberts
Communications, Marketing & Leisure – Councillor G.Lloyd-Williams
Finance & Assets – Councillor I.W. Armstrong
Regeneration – Councillor G. Sandilands
Highways & Infrastructure – Councillor P.W. Owen
Planning & Public Protection – Councillor M.LI. Davies
Strategic Human Resources – Councillor H. Hilditch-Roberts

Strategic Investment Group - Members appointed Councillor G. Sandilands to serve on the Strategic Investment Group, which would meet on a monthly basis to consider the Council's future capital requirements and bids for capital funding and external grants. The terms of reference of the Group had been included as Appendix 6 to the report.

Conwy and Denbighshire Collaboration Programme Board - The report outlined the membership and role of the Board and a copy of the Board's terms of reference had been included at Appendix 7 to the report. The Committee agreed that Councillor A. Roberts be appointed to serve as its representative on the Board and Councillor C. Hughes as the Committee's substitute representative on the Group in the event of Councillor Roberts being unable to attend. Following further discussion, it was:-

RESOLVED – that:-

- (a) *the Planning Enforcement item be deferred until the autumn of 2012.*
- (b) *a Workshop be convened on the 26th July, 2012 at 9.30 a.m., with the business meeting commencing at 11.15 a.m.*
- (c) *the Members listed above be appointed to serve on each of the Service Performance Challenge Groups.*
- (d) *Councillor G. Sandilands be nominated to serve on the Council's Strategic Investment Group, and*
- (e) *Councillor A. Roberts to nominated serve on the Conwy and Denbighshire Collaboration Programme Board, with Councillor C. Hughes as the substitute representative.*

11 FEEDBACK FROM COMMITTEE REPRESENTATIVES

The Chair provided a brief summary of his attendance at three of the Performance Challenge meetings. Members were informed that an amended schedule of the pending Performance Challenge meetings, including times and dates, had been circulated.

Meeting ended at 13.20 p.m.

Report to:	Performance Scrutiny Committee
Date of Meeting:	26th July 2012
Lead Member/Officer:	Lead Member for Finance and Assets /Head of Finance and Assets
Report Author:	Head of Finance & Assets
Title:	Finance Report 2012/13

1. What is the report about?

The attached report is the Finance Report that was taken to Cabinet earlier this month and reviewed the Council's budgetary position as at the end of June 2012. The report includes the Council's revenue budget and the Housing Revenue Account budget.

2. What is the reason for making this report?

To review the Council's performance against its budget strategy for 2012/13 as defined in the Medium Term Financial Plan (MTFP).

3. What are the Recommendations?

To note the latest financial position and identification of areas of potential overspend/under spend and budgetary pressures and delivery of the Council's budget strategy and MTFP.

4. Report details.

The attached report covers the latest revenue budget position, progress in relation to achieving savings to date and a summary of the housing revenue account and housing capital plan.

5. How does the decision contribute to the Corporate Priorities?

Effective management of the Council's revenue and capital budgets and delivery of the agreed budget strategy underpins activity in all areas, including corporate priorities.

6. What will it cost and how will it affect other services?

Refer to the attached cabinet report where full details are reported.

7. What consultations have been carried out?

The revenue budget was recommended by Cabinet and agreed formally by Council after an extensive round of service challenges. The capital plan was approved by council following scrutiny by the Capital & Assets Strategy Group and recommendation by Cabinet. The Housing Revenue Account has been approved following consultation with elected members and tenant federation representatives.

8. Chief Finance Officer Statement

The full Chief Finance Officer statement is contained in the attached Cabinet report.

9. What risks are there and is there anything we can do to reduce them?

See attached cabinet report.

10. Power to make the Decision

Local authorities are required under Section 151 of the Local Government Act 1972 to make arrangements for the proper administration of their financial affairs.

Contact Officer:
Chief Accountant
01824 706090

Report To: CABINET

Date of Meeting: 17th July 2012

Lead Cabinet Member: Councillor Julian Thompson-Hill

Lead Officer: Paul McGrady, Head of Finance & Assets

Title: Finance Report

1 What is the report about?

The report gives details of the council's revenue budget and savings as agreed for 2012/13 as at the end of June 2012. The report also gives a summary update of the Capital Plan, the Housing Revenue Account and Housing Capital Plan.

In addition, the report brings forward a recommendation from the Strategic Investment Group for approval. It relates to a capital scheme to improve the provision of library services in Prestatyn.

2 What is the reason for making this report?

The report advises members of the format of the budgets and sets out the reporting structure for the coming year. At this stage there are no deviations from the agreed budget strategy for 2012/13 as defined in the Medium Term Financial Plan, the Capital Plan and the Housing Stock Business Plan.

To seek Cabinet approval for a significant capital scheme.

3 What are the Recommendations?

Members note the budgets and savings targets for the year and progress against the agreed budget strategy.

Members approve the capital project to improve library services in Prestatyn as shown in Appendix 5.

4 Report details

The latest revenue budget forecast is presented as **Appendix 1** and shows a balanced position across all services, including schools and corporate budgets.

The Housing Revenue Account summary is also included in Appendix 1 for information but this is a separate fund and not part of the council's revenue budget.

Appendix 2 to this report gives an update showing progress against the savings and pressures agreed as part of the 2012/13 budget setting process. In total, net savings of £3.443m were agreed and £1.312m (38%) has been achieved with £2.131m (62%) still classed as in progress. Although 62% of the items are still classed as 'in progress' none of the savings listed are thought to be unachievable and this % should drop significantly during the course of the next few months.

5 How does the decision contribute to the Corporate Priorities?

Effective management of the council's revenue and capital budgets and delivery of the agreed budget strategy underpins activity in all areas, including corporate priorities.

6 What will it cost and how will it affect other services?

This section of the report is used to highlight any key variances from budget or savings targets, risks or potential additional savings that may arise throughout the year and to give a more general update on the Capital Plan and the Housing Revenue Account. The position at this early stage of the financial year assumes very little variances from the agreed budgets but detailed below are those service areas that warrant further explanation. Undoubtedly, variances will emerge across services as the year progresses. In addition, ahead of the next Cabinet Report Departments will need to clearly set out how they intend to utilise any revenue underspends that are being rolled forward from the 11/12 financial year.

Revenue Budget – the main points at this early stage are:-

Communication, Marketing & Leisure – The budget for the Rhyl Integrated Children's Centre Oaktree Centre is under pressure due to the loss of £80K grant funding. While the service is taking action to reduce expenditure it is likely that this facility will overspend by £40K. Future years' pressures will be dealt with during the service challenge / budget setting process.

In the **Planning, Regeneration & Regulatory Services** Department there is potentially a £50K pressure on the Rhyl Regeneration revenue budget as a result of unfunded staffing posts within the team and also due to increased costs associated with the Rhyl in Bloom project. It is proposed that part of the £91K Regeneration underspend from 11/12 is rolled forward to finance these costs in 12/13.

Adult Services budgets are shown as balanced but at this stage assume that approximately £312K of the Supporting People Reserve will be used to fund the pressures within year. This was part of the strategy agreed at previous Service Challenge meetings and the specific reason for the original creation of the Reserve.

The **Environment Services Department** has a budget savings target of £771K for 12/13 and encouragingly is already well on course to achieve this high level of savings.

Schools - as at June the projected 2012-13 school balances are £1,757m. This is a negative movement of £44k from the balances of £1,801m brought forward in 2011-12. We are currently working with 2 schools that are in financial difficulty with their deficit balances totalling (£401k). These schools have recovery plans in place and are actively working to the targets set out in these plans.

Capital Plan – The final outturn for 2011/12 was £34.047m. Expenditure to the end of June 2012 is £2.39m against a plan of £36.6m for 2012/13. **Appendix 3** shows a summary of the 2011/12 expenditure and 2012/13 plan, together with details of how it is financed. An overview of major capital projects is shown as Appendix 4.

In June, the Strategic Investment Group was presented with two capital projects to consider. The first is the subject of a separate report in relation to the Ruthin Leisure complex. The second was in relation to a project to relocate and improve the library facilities in Prestatyn. A submission in relation to this project is included as Appendix 5. The Strategic Investment Group recommends that Cabinet approves both projects.

Housing Revenue Account (HRA) – The latest HRA forecast shows a planned in-year deficit of £202k. This includes funding capital expenditure of £602k from revenue as part of the agreed Housing Stock Business Plan for 2012/13. The Business Plan remains viable and based on the latest forecast, the HRA balance carried forward will be £662k.

The Housing Capital Plan is forecast to spend £7.5m in 2012/13 which is part-funded by prudential borrowing (£4.4m). The achievement of Welsh Housing Quality Standard by the end of 2012/13 remains on target and a detailed stock condition survey is being completed currently. This survey will help inform capital investment and business planning assumptions going forward.

A summary of the latest HRA position is shown in the table on the following page.

Housing Revenue Account & Capital Plan Summary:

<u>Housing Revenue Account Summary 2012/13</u>	
<u>June 2012</u>	
Expenditure	£'000
Housing Management & Maintenance	5,683
Capital Charges	2,661
Subsidy	3,148
Provision for Bad Debts	29
Revenue Contribution to Capital	602
Total Expenditure	12,123
Income	
Rents	11,753
Garages	159
Interest	9
Total Income	11,921
In Year Deficit	-202
HRA Balance Carried Forward	662

<u>Housing Capital Plan</u>	
<u>June 2012</u>	
	£,000
Planned Expenditure	7,452
Funded By:	
Major Repairs Allowance	2,400
Revenue Contribution	602
Capital Receipts	17
Prudential Borrowing	4,433
Total	7,452

7 What consultations have been carried out?

The revenue budget was recommended by cabinet and agreed formally by council after an extensive round of service challenges. The capital plan was approved by council following scrutiny by the Strategic Investment Group and recommendation by cabinet. The Housing Revenue Account has been approved following consultation with elected members and tenant federation representatives.

8 Chief Finance Officer Statement

This report highlights the revenue and capital budgets as agreed for 2012/13 and demonstrates how the council's finances will be reported to Cabinet throughout the year. Services are expected to deliver the savings agreed through the Service Challenges and budget setting processes and at this stage seem to be on target to achieve these. The next report will give an updated position and also show how Departments intend to utilise any revenue underspends rolled forward from 2011/12. It is important that

services continue to manage budgets prudently and that any in-year surpluses are considered in the context of the medium-term financial position.

Economic Commentary & Treasury Management Update

The financial markets remain extremely volatile and this continues to limit the number of institutions with which the council can invest and the length of investments the council can make. Both of these issues limit the returns the council can achieve. As the uncertainty in the markets continues, the council's policy limits most new investments to overnight deposits. There are only two counterparties with which the council is prepared to place funds for up to one week. This strategy of making very short-term investments is likely to continue for the medium term.

Total borrowing currently stands at £135m at an average rate of 5.74% and total investments are £34.5m at an average rate of 0.94%.

9 What risks are there and is there anything we can do to reduce them?

This is the most challenging financial period the council has faced and failure to deliver the agreed budget strategy will put further pressure on services in the current and future financial years. Effective budget monitoring and control and early reporting of variances will help ensure that the financial strategy is achieved.

Specific risks are apparent when dealing with capital projects and can include expenditure or time overruns, funding issues and other non-financial considerations. A robust approval mechanism and close financial monitoring and reporting, along with effective project management procedures, help to minimise these risks.

The HRA is undertaking a considerable capital investment to improve the housing stock and using borrowing and grants to fund the works. Any borrowing must be affordable and the regular monitoring and annual approval and viability assessment of the Housing Stock Business Plan ensures that this is so.

10 Power to make the Decision

Local authorities are required under Section 151 of the Local Government Act 1972 to make arrangements for the proper administration of their financial affairs.

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Appendix 1

DENBIGHSHIRE COUNTY COUNCIL REVENUE BUDGET MONITORING REPORT 2012/13

Forecast as at 30/06/2012	Budget			Projected Outturn			Variance				Variance Previous Report £'000
	Expenditure £'000	Income £'000	Net £'000	Expenditure £'000	Income £'000	Net £'000	Expenditure £'000	Income £'000	Net £'000	Net %	
Business Planning & Performance	1,197	-224	973	1,197	-224	973	0	0	0	0.00%	0
Legal & Democratic Services	2,065	-553	1,512	2,065	-553	1,512	0	0	0	0.00%	0
Finance & Assets	14,270	-7,265	7,005	14,270	-7,265	7,005	0	0	0	0.00%	0
Highways & Infrastructure	20,112	-9,667	10,445	20,112	-9,667	10,445	0	0	0	0.00%	0
Planning, Regeneration & Public Protection	5,714	-1,936	3,778	5,764	-1,936	3,828	50	0	50	1.32%	0
Adult & Business Services	44,809	-12,959	31,850	44,809	-12,959	31,850	0	0	0	0.00%	0
Children & Family Services	9,799	-1,029	8,770	9,799	-1,029	8,770	0	0	0	0.00%	0
Housing Services	1,842	-1,461	381	1,842	-1,461	381	0	0	0	0.00%	0
Communication, Marketing & Leisure	9,963	-4,661	5,302	10,003	-4,661	5,342	40	0	40	0.75%	0
Strategic HR	1,558	-470	1,088	1,558	-470	1,088	0	0	0	0.00%	0
Customer Services	4,092	-999	3,093	4,092	-999	3,093	0	0	0	0.00%	0
Environment	19,071	-8,304	10,767	19,071	-8,304	10,767	0	0	0	0.00%	0
Modernising Education	1,476	-321	1,155	1,476	-321	1,155	0	0	0	0.00%	0
School Improvement & Inclusion	10,811	-7,476	3,335	10,811	-7,476	3,335	0	0	0	0.00%	0
Total Services	146,779	-57,325	89,454	146,869	-57,325	89,544	90	0	90	0.10%	0
Corporate	44,674	-36,670	8,004	44,674	-36,670	8,004	0	0	0	0.00%	0
Precepts & Levies	4,569	0	4,569	4,569	0	4,569	0	0	0	0.00%	0
Capital Financing	12,656	0	12,656	12,656	0	12,656	0	0	0	0.00%	0
Total Corporate	61,899	-36,670	25,229	61,899	-36,670	25,229	0	0	0	0.00%	0
Council Services & Corporate Budget	208,678	-93,995	114,683	208,768	-93,995	114,773	90	0	90	0.08%	0
Schools	70,460	-7,756	62,704	70,504	-7,756	62,748	44	0	44	0.07%	0
Total Council Budget	279,138	-101,751	177,387	279,272	-101,751	177,521	134	0	134	0.08%	0
Housing Revenue Account	11,841	-11,912	-71	12,123	-11,921	202	282	-9	273	-384.51%	0

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Appendix 2 Medium Term Financial Plan Update 2012/13
Update to 30/06/2012

<u>Ref</u>	<u>Action</u>	<u>Status</u>	<u>Saving £'000</u>	<u>Total £'000</u>
General				
A3	Convert Essential Car Users to Casual	In proaress	200	
A7	Costs of Democracy	In progress	20	
				220
Support Services Review				
C1	HR Review - Ongoing Impact of Centralisation	In progress	45	
C3	Legal services - phase 1	Achieved	70	
C4	Democratic support	Achieved	28	
C5	ICT/IM Structure	In progress	60	
C6	ICT/IM Procurement	In progress	25	
C7	Finance & Assets	Achieved	300	
				528
Service Challenges				
Leisure, Libraries & Community Development				
Da1	Leisure Services-New Booking System	Achieved	30	
Da2	Back office co-located with Youth	Achieved	30	
Da3	Transfer Town Halls to Town Councils	Achieved	80	
Da5	Remove subsidy by increasing income	In progress	120	
				260
Environmental Services				
Db2	Renegotiate recylcate and disposal contracts	Achieved	510	
Db3	Service Redesign (Refuse)	Achieved	200	
Db4	Regional Waste Procurement budget	Achieved	134	
Db7	Other Reorg Savings	Achieved	20	
Db9	Fleet Efficiency	In progress	138	
Db12	Public Conveniences	Achieved	10	
Db14	WAG Waste Target Pressures	Achieved	-366	
Db15	Free School Meals Cost Pressures	Achieved	-20	
Db16	Countryside staff reduction	Achieved	50	
Db17	Tourism Service Redesign	In progress	49	
Db18	Regeneration Service Redesign	Achieved	46	
				771
Planning and Public Protection				
Dc1	Review of Regeneration	In progress	10	
EC21	Review Pest Control	Achieved	20	
EC23	Review Building Control	In progress	20	
EC24	Review of Planning Policy Service	In progress	20	
EC25	Review of CCTV service	In progress	30	
EC27	Review of Trading Standards	Achieved	50	
EC28	Licensing	Achieved	20	
				170
Highways & Infrastructure				
EC12	Passenger Transport	In Progress	35	
EC13	Parking	In Progress	70	
EC15	Development Control	In Progress	18	
	NWTRA Fees	Achieved	100	
EC16	Winter Maintenance	In Progress	65	
				288
Adult Social Services				
Df1	Cefndy Healthcare,	In Progress	43	
Df2	Closer working of Fin assessments & Benefits	In Progress	30	
Other Adult Services				
Df4	Service Restructure	In Progress	130	
Older People				
Df5	Externalise elements of Home Care	In Progress	15	
Df6	Day care - review and rationalise	In Progress	30	
Df7	Review Meals on Wheels	In Progress	64	
Df8	Impact of investment in reablement	In Progress	75	
Df9	Residential Care - Impact of Extra Care	In Progress	100	
Mental Health				
Df11	Management Changes	In Progress	19	
Df12	Partnership Efficiency Savings	In Progress	26	

		<u>Status</u>	<u>Saving £,000</u>	<u>Total £'000</u>
Adult Social Services (con'd)				
Physical Disability & Impairment				
Df13	ISIL Scheme	In Progress	18	
Df14	Reablement Intervention	In Progress	26	
Df15	Telecare	In Progress	20	
Other Adult Services				
Df16	Administration Rationalisation	In Progress	67	
Df17	Systems Thinking and Vacancy Control	In Progress	40	
Business Support & Development				
Df18	PMDF Grant - Loss of funded posts	In Progress	152	
Df19	Workforce Development Review	In Progress	20	
				875
School Improvement & Inclusion				
Dh1	Service Restructure	In Progress	100	100
Children & Family Services				
Staffing				
Dj3	Other Staff Savings	In Progress	21	
Refocus on Core Business				
Dj5	Re-shaping Supervised Contact Service	In Progress	43	
Dj8	Reduction in Independent (external) Placement Provision	In Progress	48	
Decommissioning Services				
Dj11	Voluntary Organisation Grants	In Progress	37	
	Child Trust Funds	In Progress	2	
Dj12	Parenting Programme	In Progress	82	
Dj14	Rhyl Adventure Playground	In Progress	61	
Pressures				
Dj18	In-house Fostering	In Progress	-224	
Dj20	Legislative	In Progress	-28	
				42
Housing				
	Various Small savings	In Progress	7	7
REGIONAL WORKING/COLLABORATION				
ENW1	Education Regional Board	In Progress	25	
ENW2	Social Care Regional Board	In Progress	25	
				50
OUTSOURCING				
G2	Bodelwyddan Castle	In Progress	18	
G4	ECTARC	In Progress	10	
				28
Other Cultural/Heritage activities				
H1	Pavilion Theatre	In Progress	50	
H2	Ruthin Craft Centre	In Progress	20	
H3	Llangollen Pavilion	In Progress	25	
H4	Heritage facilities	In Progress	9	
				104
Total Savings 2012/13				3,443
Summary:				
Savings Achieved/Replaced or Pressures Confirmed			1,312	38
Savings In Progress/Being Reviewed			2,131	62
Savings Not Achieved/Deferred			0	0
Total			3,443	

Denbighshire County Council - Capital Plan 2011/12 - 2014/15
Position to June 2012

APPENDIX 3

	2011/12	2012/13	2013/14	2014/15
	£000s	£000s	£000s	£000s
Capital Funding:				
1 General Funding:				
Unhypotheated Supported Borrowing	4,132	8,679	3,152	2,994
General Capital Grant	2,247	3,251	1,931	1,931
General Capital Receipts	2,586	768	0	0
Earmarked Capital Receipts	535	258	0	0
	9,500	12,956	5,083	4,925
2 Prudential Borrowing	9,077	12,576	3	300
3 Reserves and Cera	905	1,736	0	0
4 Specific Grants and Contributions	14,565	11,089	4,163	961
Total Finance	34,047	38,357	9,249	6,186
Total Estimated Payments	-34,047	-36,644	-4,166	-1,261
Contingency	0	-1,713	-1,000	-1,000
Earmarked Contingency	0	0	0	0
Unallocated Reserve	0	0	0	0
Funding available	0	0	4,083	3,925

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Appendix 4 Major Capital Projects Update

Rhyl Coastal Defence

Budget	£8.246m Phases 1 & 2
Funding	WAG Grant
Expenditure to Date	£7.677m
Comments	<p>This coastal defence scheme will reduce the flood risk to over 2000 properties and 500 businesses in West Rhyl.</p> <p>Phases 1 & 2 are the works to the inner harbour and river training wall. These works are anticipated to be fully complete by early July. Feedback on the scheme has been very positive.</p> <p>Final costings suggest costs are £100k over the contract target. The contractor is liable for 50% of this cost. It is hoped that the Welsh Government (WG) will also fund £50k.</p> <p>Meetings have been held with WG in relation to phase 3 – works from Sydenham Avenue to the Drift Park. It is hoped that with the necessary funding, works can commence in 2013/14.</p> <p>In an effort to build the defences as originally planned, which provides both coastal defence and enhances the amenity of the promenade, a bid for additional funding has been submitted to WG. This could potentially add £1m to the indicative WG allocation of £2.25m</p>
Forecast Expenditure 12/13	£569k

Highways Programme Works

Budget	£3.650m
Funding	£3.650m Prudential Borrowing
Expenditure to Date	£0.280m
Comments	An allocation of £3.650m was made to progress highways capital works as part of the 2012/13 Capital Bid process. An update on the use of this funding was recently provided to all Councillors.
Forecast Expenditure 12/13	£3.650m

Property Acquisition & Demolitions, Rhyl Going Forward

Budget	£4.36m
Funding	£2.32m SRA Grant ; DCC Prudential Borrowing £1,025k , PEG £220k; THI £168k; WEFO £535k; DCC £95k
Expenditure to Date	£2.66m
Comments	<p>Council have previously approved the purchase of a number of properties in Rhyl with a view to demolition and the provision of public realm works. Latest updates are as follows:</p> <p>25 & 26 West Parade A compulsory Purchase order is currently being made.</p> <p>26 - 30 Abbey Street The Council is currently demolishing these properties.</p>
Forecast Expenditure 12/13	£0.120m

Appendix 5

Summary of Proposal

Relocation of Prestatyn Library

This proposal is for the relocation of Prestatyn library to 21 Kings Avenue.

Cabinet, at its meeting on 24 January 2012 approved the option to re-locate Prestatyn library to 21 Kings Avenue, and for the submission of a grant application to CYMAL.

In April 2012, CYMAL awarded Denbighshire County Council a grant for £300k towards the relocation of its library service in Prestatyn.

The proposed new facility will be modern, inviting and provide improved ICT provision including WiFi and self service terminals that are not currently available in Prestatyn.

The library will be designed as a modern media centre and will include a variety of specialist areas such as:

- Children's zone
- Refreshment area
- Business zone – hot desks
- Skype/Web conferencing facilities
- Comfort zone for reading
- Adult learning zone
- 3D media resources centre – cameras, docking stations and Kindles
- Flexible spaces to create an events area
- Pre school reading/play zone
- Archive material, exhibition displays & advice centre

The latest cost estimate for the scheme is £648k. It is proposed that the funding will be made up as follows:

	£k
• Cymal Grant Award	300
• DCC Library service Prudential Borrowing	148
• Capital Receipts/DCC funding	200

The relocation of the library to 21 Kings Avenue would allow the authority to be in a position to review the future of the existing facility and land. However, this is a strategic site, and the authority would look at the whole site options.

The Prudential Borrowing repayment would be £9.5k per annum over 20 years. This would be met through realigning resources across the library portfolio.

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Report to: Performance Scrutiny Committee

Date of Meeting: 26 July 2012

Report Author: Scrutiny Coordinator

Title: Scrutiny Work Programme

1. What is the report about?

The report presents the Performance Scrutiny Committee with its draft forward work programme for members' consideration.

2. What is the reason for making this report?

To seek the Committee to review and agree on its programme of future work, and to update members on relevant issues.

3. What are the recommendations?

That the Committee considers the information provided and:

- 3.1 approves, revises or amends its forward work programme as it deems appropriate; and
- 3.2 nominates a representative from the Committee to serve on the School Standards Monitoring Group.

4. Report details.

- 4.1 Article 6 of Denbighshire County Council's Constitution sets out each Scrutiny Committee's terms of reference, functions and membership, whilst the rules of procedure for scrutiny committees are laid out in Part 4 of the Constitution.
- 4.2 The Constitution stipulates that the Council's scrutiny committees must prepare and keep under review a programme for their future work. By reviewing and prioritising issues, members are able to ensure that the work programme delivers a member-led agenda.
- 4.3 For a number of years it has been an adopted practice in Denbighshire for scrutiny committees to limit the number of reports considered at any one meeting to a maximum of four plus the Committee's own work programme report. The aim of this approach is to facilitate detailed and effective debate on each topic.
- 4.4 The Committee is requested to consider its draft work programme for future meetings, as detailed in appendix 1, and approve, revise or amend it as it deems appropriate taking into consideration:

- issues raised by members of the Committee
 - matters referred to it by the Scrutiny Chairs and Vice-Chairs Group
 - relevance to the Committee's/Council's/community priorities
 - the Council's Corporate Plan and the Director of Social Services' Annual Report
 - meeting workload
 - timeliness
 - outcomes
 - key issues and information to be included in reports
 - officers and/or lead Cabinet members who should be invited (having regard to whether their attendance is necessary or would add value)
 - questions to be put to officers/lead Cabinet members
- 4.5 When considering future items for inclusion on the forward work programme members may also find it helpful to have regard to the following questions when determining a subject's suitability for inclusion on the work programme:
- what is the issue?
 - who are the stakeholders?
 - what is being looked at elsewhere
 - what does scrutiny need to know? and
 - who may be able to assist?
- 4.6 As mentioned in paragraph 4.2 above the Council's Constitution requires scrutiny committees to prepare and keep under review a programme for their future work. To assist the process of prioritising reports, if officers are of the view that a subject merits time for discussion on the Committee's business agenda they have to formally request the Committee to consider receiving a report on that topic. This is done via the submission of a 'proposal form' which clarifies the purpose, importance and potential outcomes of suggested subjects. One completed proposal form (appendix 2) has been received for consideration by the Committee at the current meeting. The request relates to the Council's Corporate Plan 2012-17.
- Monitoring Performance in Delivering the Corporate Plan
- 4.7 As the Council is not scheduled to adopt its 2012-17 Corporate Plan until the autumn officers will not be in a position to provide a quarterly performance report for Quarter 1 of the 2012/13 year in the autumn. The first of the monitoring reports will therefore be presented to members in January 2013 and cover the second quarter of the reporting year, with subsequent reports being presented in April and early summer 2013. The Performance Monitoring Working Group which the Committee established at its last meeting will meet with Corporate Improvement Team officers and the Head of Internal Audit ahead of scheduled Cabinet meetings to scrutinise the Council's performance in delivering its Corporate Plan and Outcome Agreements and highlight any issues of concern to Cabinet.

'Your Voice' Complaints Policy and Quarterly Monitoring Reports

- 4.8 At the last meeting the Committee received a monitoring report on the 'Your Voice' Complaints policy and was informed of an imminent review of the policy. Four members of the Committee have been appointed to serve on a working group to work on that review. In view of the review, and in order to ensure that the new policy improves the way in which the Council deals with complaints, officers have requested that, for the foreseeable future, the monitoring reports on compliance with the policy are presented to the Committee on a quarterly basis. If the Committee agrees to this request the report will be presented to members at the October 2012, February and May 2013 meetings. The Committee is asked to consider this request.

Cabinet Forward Work Programme

- 4.9 When determining their programme of future work it is useful for scrutiny committees to have regard to Cabinet's scheduled programme of work. For this purpose a copy of the Cabinet's forward work programme is attached at Appendix 3.

4.10 Progress on Committee Resolutions

A table summarising recent Committee resolutions and advising members on progress with their implementation is attached at Appendix 4 to this report.

5. Scrutiny Chairs and Vice-Chairs Group

- 5.1 Under the Council's scrutiny arrangements the Scrutiny Chairs and Vice-Chairs Group (SCVCG) performs the role of a coordinating committee. In performing this role it can seek individual scrutiny committees to take ownership of specific topics.
- 5.2 Performance Scrutiny Committee has historically considered, on a quarterly basis, the monitoring reports on the Council's revenue budget and capital programme. One of the requirements of the Local Government (Wales) Measure 2011 was that each local authority established an audit committee for the purpose of, amongst other duties, reviewing, scrutinising and issuing reports and recommendations in relation to the Council's financial affairs. Denbighshire has designated its Corporate Governance Committee as its audit committee. Consequently it will be expected to scrutinise and monitor the Council's financial affairs. In view of this new obligation the Scrutiny Chairs and Vice-Chairs Group, at its meeting on 5 July, discussed the possible duplication of roles between the Corporate Governance Committee and Performance Scrutiny Committee with respect to financial scrutiny and it was decided that from September 2012 onwards the Corporate Governance Committee will in future consider revenue and capital budget reports. Adopting this approach will assist to free up room on Performance Scrutiny Committee's forward work programme to accommodate other important subjects.

6. Appointment of Committee Representatives on Council Groups and Boards

6.1 Periodically all scrutiny committees are asked to appoint representatives from amongst their membership to serve on various Council Boards and Groups. At its last meeting the Committee appointed representatives to serve on the various Service Challenge Groups, the Strategic Investment Group and the Conwy and Denbighshire Collaboration Programme Board.

6.2 Since the Committee's last meeting another request has been received for a representative to be appointed. This time the Committee is asked to appoint a member to serve on the Schools Standards Monitoring Group (SSMG). For members' information a copy of the Group's terms of reference is attached at appendix 5 to this report.

7. How does the decision contribute to the Corporate Priorities?

Effective scrutiny will assist the Council to deliver its corporate priorities in line with community needs and residents' wishes. Continual development and review of a coordinated work programme will assist the Council in monitoring and reviewing policy issues.

8. What will it cost and how will it affect other services?

Services may need to allocate officer time to assist the Committee with the activities identified in the forward work programme, and with any actions that may result following consideration of those items.

9. What consultations have been carried out?

None required for this report. However, the report itself and the consideration of the forward work programme represent a consultation process with the Committee with respect to its programme of future work.

10. What risks are there and is there anything we can do to reduce them?

No risks have been identified with respect to the consideration of the Committee's forward work programme. However, by regularly reviewing its forward work programme the Committee can ensure that areas of risk are considered and examined as and when they are identified, and recommendations are made with a view to addressing those risks.

11. Power to make the decision

Article 6.3.7 of the Council's Constitution stipulates that the Council's scrutiny committees must prepare and keep under review a programme for their future work.

Contact Officer:

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Note: Any items entered in italics have not been approved for inclusion at the meeting shown by the Committee. Such reports are listed here for information, pending formal approval.

Meeting	Item (description / title)	Purpose of report	Expected Outcomes	Author	Date Entered
6 September	1 Transformation of Post 16 Education [Education]	To present the draft proposals for transforming the provision of post 16 education in Denbighshire	The development of a viable and robust policy for the delivery of post 16 education in the county	John Gambles	May 2011 rescheduled by SCVCG November 2011
	2 Post 16 School Transport [Education]	To consider the effectiveness of the delivery of post 16 education in the County and its associated costs	Development of an effective and efficient transport strategy that will contribute to improved achievements and outcomes for pupils and students	John Gambles/Carly Wilson	By SCVCG November 2011
	3 Schools in Financial Difficulty [Education]	To scrutinise the progress achieved to date by those schools identified as being in financial difficulty in delivering their recovery plans and reducing their deficits, and the potential impact on their educational performance	Efficient use of the Authority's resources and identification of measures to support financial recovery and aid educational and financial performance	Ivan Butler/Carly Wilson	January 2012
	4 Denbighshire School Funding Formula Review [Education item]	To review the proposals for the framework for the new Funding Formula in Mainstream and Special Schools	Members support the outline proposals and are happy that they will provide a robust and effective formula for school funding	Carly Wilson	May 2012
	5 <i>Corporate Plan 2012-17 [Lead Member for Modernisation to be invited]</i>	<i>To consult with the Committee on the Council's draft Corporate Plan</i>	<i>Effective input into the Corporate Plan 2012-17 and scrutiny of the draft corporate priorities and improvement objectives to ensure that the</i>	<i>Alan Smith/Tony Ward</i>	<i>July 2012</i>

Meeting	Item (description / title)	Purpose of report	Expected Outcomes	Author	Date Entered
			<i>process for its development have been robust</i>		
18 October	1 Review of Foundation Phase Provision and outcomes of Foundation Phase Data, KS 2 and KS3 assessments [Education]	To consider the findings of the Review of the Foundation Phase and the provisional exam and teacher assessment results	Identification of any shortfalls in performance and development of measures to improve performance and the delivery of education	Gwenn Brockley/Julian Molloy	By SCVCG November 2011
	2 Planning Enforcement	Details of financial, legal and other resources available to the Planning Enforcement Team and its performance in delivering its services	Identification of options to alleviate pressures and improve the Council's performance in this service area	Gary Williams/Paul Mead	February 2012 (rescheduled March 2012 and June 2012)
	3 Corporate Complaints Policy	To consider the findings of the review of the Corporate Complaints Policy	The development of a complaints process that delivers better outcomes for service users and the Authority as a whole	Jackie Walley/Steven Goodrum	June 2012
	4 Review of Licensing Matters	To consider the findings of the comprehensive review of licensing matters and procedures conducted by the Internal Audit Department (with specific emphasis on taxi licensing and safeguarding responsibilities)	The development of robust licensing policies and procedures that will provide assurances that the Council is taking all reasonable measures with respect to complying with all licensing and safeguarding legislation, and in mitigating risks to vulnerable groups who use services licensed by the Authority	Ivan Butler/Graham Boase	April 2012 (rescheduled by SCVCG April 2012 and July 2012)
	5 <i>Your Voice' complaints performance (Q1)</i>	<i>To scrutinise Services' performance in complying with the Council's complaints</i>	<i>Identification of areas of poor performance with a view to the development of</i>	<i>Jackie Walley/Steven Goodrum</i>	<i>July 2012</i>

Meeting		Item (description / title)	Purpose of report	Expected Outcomes	Author	Date Entered
			<i>process</i>	<i>recommendations to address weaknesses.</i>		
	6	Annual Performance Review Report 2011/12	To report the Council's performance against the set PIs for 2011/12	Identification of trends or areas of poor performance leading to recommendations to address declining performance and realise the Council's ambition to be a high performing authority	Tony Ward	September 2011 (rescheduled July 2012)
29 November	1	Corporate Risk Register	To consider the Council's Corporate Risk Register	Identification of effective measures to address the high level risks	Tony Ward	February 2012
	2	Draft Tenancy Agreement and Handbook	To consult on the draft new tenancy agreement and handbook	Formulation of recommendations with respect to the new agreement and handbook for submission to Cabinet	Peter McHugh	February 2012
	3	<i>Your Voice' complaints performance (Q2)</i>	<i>To scrutinise Services' performance in complying with the Council's complaints process</i>	<i>Identification of areas of poor performance with a view to the development of recommendations to address weaknesses.</i>	<i>Jackie Walley/Steven Goodrum</i>	<i>July 2012</i>
10 January 2013	1	External Examinations and Teacher Assessments 2010 – 2011 [Education]	To review the performance of schools and that of looked after children	Scrutiny of performance leading to recommendations for improvement	Julian Molloy	By SCVCG November 2011
	2	Estyn Action Plan [Education]	To monitor the progress achieved to date in implementing the actions to address the 2 recommendations in the 2012	Better quality services and better outcomes for pupils through early identification of any slippages in progressing actions, or in implementing	Karen Evans/Diane Hesketh	June 2012

Meeting		Item (description / title)	Purpose of report	Expected Outcomes	Author	Date Entered
			Estyn Inspection of the Quality of Education Services	mitigating measures to address risks identified		
	3	<i>Corporate Plan 2012/13 (Q2)</i>	<i>To monitor the Council's performance in delivering its Corporate Plan 2012/13</i>	<i>Ensuring that the Council meets its targets, delivers its Corporate Plan and the Council's services in line with its aspirations and to the satisfaction of local residents</i>	<i>Tony Ward</i>	<i>July 2012</i>
21 February	1	<i>Your Voice' complaints performance (Q3)</i>	<i>To scrutinise Services' performance in complying with the Council's complaints process</i>	<i>Identification of areas of poor performance with a view to the development of recommendations to address weaknesses.</i>	<i>Jackie Walley/Steven Goodrum</i>	<i>July 2012</i>
11 April	1	<i>Corporate Plan 2012/13 (Q3)</i>	<i>To monitor the Council's performance in delivering its Corporate Plan 2012/13</i>	<i>Ensuring that the Council meets its targets, delivers its Corporate Plan and the Council's services in line with its aspirations and to the satisfaction of local residents</i>	<i>Tony Ward</i>	<i>July 2012</i>
23 May	1	<i>Your Voice' complaints performance (Q4)</i>	<i>To scrutinise Services' performance in complying with the Council's complaints process</i>	<i>Identification of areas of poor performance with a view to the development of recommendations to address weaknesses.</i>	<i>Jackie Walley/Steven Goodrum</i>	<i>July 2012</i>
June/July (tbc)	1	<i>Corporate Plan 2012/13 (Q4)</i>	<i>To monitor the Council's performance in delivering its Corporate Plan 2012/13</i>	<i>Ensuring that the Council meets its targets, delivers its Corporate Plan and the Council's services in line with its aspirations and to the satisfaction of local residents</i>	<i>Tony Ward</i>	<i>July 2012</i>

Meeting		Item (description / title)	Purpose of report	Expected Outcomes	Author	Date Entered
Sept/Oct (tbc)	1	Annual Performance Review Report 2011/12	To report the Council's performance against the set PIs for 2011/12	Identification of trends or areas of poor performance leading to recommendations to address declining performance and realise the Council's ambition to be a high performing authority	Tony Ward	July 2012
Nov/Dec (tbc)						

Future Issues

Item (description / title)	Purpose of report	Expected Outcomes	Author	Date Entered

Information/Consultation Reports

Date	Item (description / title)	Purpose of report	Author	Date Entered
Information Report July 2012	Library Service's 4 th Assessment Framework 2011-14 – Annual Return 2011/12	To inform the Committee of the County's Library Service's Annual Return 2011/12 to CyMAL	Arwyn Jones	October 2011
Information Report September 2012	Service Challenge Process Update	To update the Committee on the outcomes of the latest round of service challenges and assist it to identify slippages in performance or pressures facing services for the purpose of initiating measures to address any problems	Alan Smith/Tony Ward	April 2012

15/07/2012

Note for officers – Committee Report Deadlines

Meeting	Deadline	Meeting	Deadline	Meeting	Deadline
6 September	23 August	18 October	4 October	29 November	15 November

Performance Scrutiny Work Programme.doc

PROPOSAL FORM FOR AGENDA ITEMS FOR SCRUTINY COMMITTEES			
NAME OF SCRUTINY COMMITTEE	Performance Scrutiny		
DATE OF MEETING / TIMESCALE FOR CONSIDERATION	6 September 2012		
TITLE OF REPORT	Briefing on the Corporate Plan 2012-17		
P U R P O S E	1. Why is the report being proposed? (see also the checklist overleaf)	Briefing Performance Scrutiny on the draft Corporate Plan is a key consultative step that will help enable the final version of the Corporate Plan to be adopted by Full Council.	
	2. What issues are to be scrutinised?	Scrutiny of the draft corporate priorities and improvement objectives that are out to public consultation and will form the Corporate Plan 2012-17	
	3. Is it necessary/desirable for witnesses to attend e.g. lead members, officers/external experts?	Yes, the Lead Member for Modernisation and the Head of Business Planning and Performance.	
	4. What will the committee achieve by considering the report?	An effective input into the Corporate Plan 2012-17, and reassurance that the process of its development has been robust.	
	5. Score the topic from 0 – 4 on aims & priorities and impact (see overleaf)*	Aims & Priorities	Impact
	4	4	
ADDITIONAL COMMENTS	The Corporate Plan 2012-17 will provide direction for the whole Council for this election period.		
REPORTING PATH – what is the next step? Are Scrutiny's recommendations to be reported elsewhere?	Scrutiny's recommendations will be given due respect and consideration, and responded to appropriately. Where applicable, amendments will be made to the draft Corporate Plan that will be taken to Full Council on 9 October.		
AUTHOR	Alan Smith/Tony Ward		

Please complete the following checklist:

	Yes	No
Is the topic already being addressed satisfactorily?	X	
Is Scrutiny likely to result in service improvements or other measurable benefits?	X	
Does the topic concern a poor performing service or a high budgetary commitment?		X
Are there adequate resources / realistic possibility of adequate resources to achieve the objective(s)?	X	
Is the Scrutiny activity timely, i.e. will scrutiny be able to recommend changes to the service delivery, policy, strategy, etc?	X	
Is the topic linked to corporate or scrutiny aims and priorities?	X	
Has the topic been identified as a risk in the Corporate Risk Register or is it the subject of an adverse internal audit or external regulator report?		X

*The following table is to be used to guide the scores given:

Score	Aims & Priorities	Impact
0	No links to corporate/scrutiny aims and priorities	No potential benefits
1	No links to corporate/scrutiny aims and priorities but a subject of high public concern	Minor potential benefits affecting only one ward/customer/client group
2	Some evidence of links, but indirect	Minor benefits to two groups/moderate benefits to one
3	Good evidence linking the topic to both aims and priorities	Moderate benefits to more than one group/substantial benefits to one
4	Strong evidence linking both aims and priorities, and has a high level of public concern	Substantial community-wide benefits

SCORING

Aims & Priorities

4	Possible topic for Scrutiny – to be timetabled appropriately	Priority topic for Scrutiny – for urgent consideration
3		
2	Reject topic for Scrutiny – topic to be circulated to members for information purposes	Possible topic for Scrutiny – to be timetabled appropriately
1		

0 1 2 3 4

Impact

CABINET: FORWARD WORK PROGRAMME

4 SEPTEMBER 2012	
Financial Update Report	Cllr Julian Thompson-Hill / Paul McGrady
Regional CCTV	Cllr David Smith / Graham Boase
Child Protection Family Support Project – Contract Exemption Report	Cllr Bobby Feeley / Katie Newe
West Rhyl Housing Improvement Project – Compulsory Purchase Order	Cllr Hugh Evans / Gerald Thomas
West Rhyl Housing Improvement Project – Confirmation of the Project Brief	Cllr Hugh Evans Peter McDermott / Gerald Thomas
Items from Scrutiny Committees	Scrutiny Coordinator
25 SEPTEMBER 2012	
Regional Collaborative Committees	Cllr Hugh Evans / Sally Ellis / Jenny Elliot
Review of Faith Based Education Provision	Cllr Eryl Williams / Jackie Walley
Ruthin Schools Review	Cllr Eryl Williams / Jackie Walley
Treasury Management Review	Cllr Julian Thompson-Hill / Paul McGrady
Vulnerable Families Generic Floating Support Project - Contract Award Report	Cllr Bobby Feeley / Katie Newe
Mental Health Homeless Supported Housing Project - Contract Award Report	Cllr Bobby Feeley / Katie Newe
REEMA Properties, Meliden – Building Option and Funding Model	Cllr Hugh Irving / Peter McHugh
Items from Scrutiny Committees	Scrutiny Coordinator
23 OCTOBER 2012	
Financial Update Report	Cllr Julian Thompson-Hill / Paul McGrady
Highways and Infrastructure Collaboration	Cllr David Smith / Stuart Davies
Items from Scrutiny Committees	Scrutiny Coordinator
20 NOVEMBER 2012	
Financial Update Report	Cllr Julian Thompson-Hill / Paul McGrady
Items from Scrutiny Committees	Scrutiny Coordinator

18 DECEMBER 2012	
Welsh Housing Quality Standards	Cllr Hugh Irving / Peter McHugh
Financial Update Report	Cllr J Thompson-Hill / Paul McGrady
Items from Scrutiny Committees	Scrutiny Coordinator
15 JANUARY 2013	
Financial Update Report	Cllr Julian Thompson-Hill / Paul McGrady
Items from Scrutiny Committees	Scrutiny Coordinator
19 FEBRUARY 2013	
Financial Update Report	Cllr Julian Thompson-Hill / Paul McGrady
Items from Scrutiny Committees	Scrutiny Coordinator
19 MARCH 2013	
Financial Update Report	Cllr Julian Thompson-Hill / Paul McGrady
Items from Scrutiny Committees	Scrutiny Coordinator
16 APRIL 2013	
Financial Update Report	Cllr Julian Thompson-Hill / Paul McGrady
Items from Scrutiny Committees	Scrutiny Coordinator
14 MAY 2013	
Financial Update Report	Cllr Julian Thompson-Hill / Paul McGrady
Items from Scrutiny Committees	Scrutiny Coordinator

Updated 17/07/2012 KEJ

Progress with Committee Resolutions

Date of Meeting	Item number and title	Resolution	Progress
28 June 2012	6. Estyn Action Plan	<p>RESOLVED:-</p> <p><i>(a) to receive the report, and note the appropriateness of actions and timescales in the post inspection action plan in response to the recommendations from the Estyn inspection (Appendix 1); and</i></p> <p><i>(b) that a progress report on the implementation and delivery of the Action Plan be presented to the Committee in six months time.</i></p>	Report scheduled into the Committee's forward work programme for January 2013
	8. Quarterly Performance Report 2011/12 (Q4)	<p>RESOLVED – that:-</p> <p><i>(a) the Performance Scrutiny Committee notes the exceptions associated with achieving the outcomes in the report, and that any performance related issues be pursued with the appropriate Head of Service and/or Lead Member, and</i></p> <p><i>(b) a Working Group be established consisting of Councillors R.J. Davies, C. Hughes, H. Hilditch-Roberts and A. Roberts to meet on a regular basis with the Head of Internal Audit and Corporate Improvement Team personnel for the purposes of monitoring performance against the agreed indicators and agreements.</i></p>	Relevant officers advised of the appointments
	9. Performance	RESOLVED – that the:-	

	<p>Standards Revealed through the Complaints Process</p>	<p>(a) <i>Corporate Complaints Officer review the current customer feedback policy in the context of the Authority's performance in complaints handling, and work with the Senior Leadership Team (SLT) to improve performance. The review to include, but not exclusively focus on, the issues identified in the report.</i></p> <p>(c) <i>Working Group, established to monitor Services' performance, include within its remit consideration of the Customer Complaints Process Review, and that the Working Group be convened prior to the next meeting of the Scrutiny Committee; and</i></p> <p>(d) <i>Committee receive a further report in the autumn detailing the changes proposed to the policy following the above</i></p>	<p>Arrangements in hand to convene a meeting of the Working Group in the near future</p> <p>Report scheduled into the Committee's work programme for October 2012 along with regular quarterly monitoring reports thereafter</p>
	<p>10. Scrutiny Work Programme</p>	<p>RESOLVED – that:-</p> <p>(a) <i>the Planning Enforcement item be deferred until the autumn of 2012.</i></p> <p>(b) <i>a Workshop be convened on the 26th July, 2012 at 9.30 a.m., with the business meeting commencing at 11.15 a.m.</i></p> <p>(c) <i>the Members listed above be appointed to serve on each of the Service Performance Challenge Groups.</i></p> <p>(d) <i>Councillor G. Sandilands be nominated to serve on the Council's Strategic Investment Group, and</i></p> <p>(e) <i>Councillor A. Roberts to nominated serve on the Conwy and Denbighshire Collaboration Programme Board, with Councillor C. Hughes as the substitute representative.</i></p>	<p>Report scheduled for presentation on 18 October 2012</p> <p>Relevant officers advised of the appointments</p>

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Schools Standards Monitoring Group

TERMS OF REFERENCE

Denbighshire's School Standards Monitoring Group was set up in October 2007 to support the improvement of school standards. The Group gives Headteachers and Chairs of Governors the opportunity to discuss the performance and standards of a school with Councillors and Senior Officers in a non-public forum.

Membership of the Group

- Lead Member for Education
- Representative from Performance Scrutiny Committee
- Representative from Partnerships Scrutiny Committee
- Representative from Communities Scrutiny Committee
- Head of Education
- Head of Customers and Education Support (attendance as appropriate)
- Appropriate School Effectiveness Performance officer
- Representative from Tim Data
- Administrator (Education)

The Group will:-

Monitor the performance of every school on a 3 yearly basis or more frequently as the Group deems appropriate.

1. Consider the following information:-

- Key Stage results
- Other attainment information
- Attendance
- Exclusions rate
- School context
- Safeguarding

2. Receive a presentation from the Headteacher on the context of the school and school standards.

3. Question the Headteacher and Chair of Governors in relation to school performance and achievements.

4. Identify areas of good practice and support its dissemination.

5. Identify areas and actions for improvement.

6. Provide Headteachers and Chairs of Governors with the opportunity to comment on the support received from the Council.

Each school who is invited to attend SSMG will be asked to complete a proforma containing information on their school.

Following the meeting, notes and action points from the meeting will be circulated to all members of the Group. The appropriate School Effectiveness Support Officer will visit the school to go through the action points. The School Effectiveness Performance Officer will then attend the next SSMG to update the Group on how the actions have/will progress.

Issues raised through SSMG will be dealt with through the appropriate processes and protocols.

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