

**PERFORMANCE SCRUTINY COMMITTEE**

Minutes of the Performance Scrutiny Committee held in the Conference Room 1a, County Hall, Ruthin on Thursday, 12<sup>th</sup> January, 2012 at 9.30 a.m.

**PRESENT**

Councillors R.L. Feeley (Chair), G.C. Evans, G.A. Green, C. Hughes, T.R. Hughes, H.L.I. Jones, L.M. Morris and Co-opted Members Mrs G. Greenland and Ms D. Houghton.

Councillors W.L. Cowie, M.L.I. Davies, J. Thompson-Hill and E.W. Williams attended as Observers.

**ALSO PRESENT**

Corporate Director: Business Transformation and Regeneration (BJ), Joint Head of Highways and Infrastructure (SD), Head of Internal Audit Services (IB), Head of School Improvement and Inclusion (KE), Principal Accountant (RW), Corporate Improvement Manager (TW), School Effectiveness Performance Officer: Secondary (JM), Lifelong Learning Finance Manager (CW), Scrutiny Coordinator (RE) and Administrative Officer (CIW).

Members agreed that consideration of Agenda Items 7 and 10 be rescheduled on the business agenda.

**1. APOLOGIES**

Councillors M.J. Eckersley, I.A. Gunning, D Hannam and Coopted Members Dr D. Marjoram and Mr J. Saxon.

**2. DECLARATIONS OF INTEREST**

The following interests were identified in business items to be considered at the meeting.

Agenda item 5: Schools in Financial Difficulty – personal interests were declared by Councillors C. Hughes, T.R. Hughes, J. Thompson-Hill and Mrs G. Greenland. The reason for the declarations was that the respective Committee Members were Governors at various schools mentioned in the report.

**3. URGENT MATTERS AS AGREED BY THE CHAIR**

In accordance with the requirements of Section 100B(4) of the Local Government Act 1972, the Chair declared that she intended to include for discussion the following matter requiring urgent attention under Part II:-

Concerns relating to a school within Denbighshire

## 4 MINUTES

(i) The Minutes of a special meeting of the Performance Scrutiny Committee held on Thursday, 17<sup>th</sup> November, 2011 were submitted.

Matters arising:-

7. Children's Services – The Scrutiny Coordinator explained that the meeting between Cllr. G.A. Green, Cllr. I.A. Gunning and the Head of Children and Family Services had not yet taken place, but that arrangements were in hand for the meeting to take place. The Committee requested that the meeting be arranged as soon as possible.

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

(ii) The Minutes of a meeting of the Performance Scrutiny Committee held on Thursday, 1<sup>st</sup> December, 2011 were submitted.

Matters arising:-

6. Adult Services – The Chair confirmed that she had made arrangements to meet with the Head of Adult and Business Services to identify areas which may merit further detailed scrutiny in future.

7. Monitoring Performance against the Corporate Plan – (QPR 2) – The Scrutiny Coordinator explained that the full response from the Head of Leisure, Libraries and Community Development in relation to the query on disability sport had been included on page 3 of the Information Notes for the meeting.

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

## EXCLUSION OF PRESS AND PUBLIC

***RESOLVED – that under Section 100A of the Local Government Act 1972, the Press and Public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in Paragraph 14 of Part 4 of Schedule 12A of the Local Government Act 1972.***

## PART II

### 5. SCHOOLS IN FINANCIAL DIFFICULTIES

A copy of a confidential report by the Education Finance Manager, which detailed the current position of schools identified as being in financial difficulty, their recovery plans, the potential impact on their educational performance and an outline of the procedure for supporting these schools, had been circulated with the papers for the meeting.

The Education Finance Manager referred to Stage 1 monitoring and explained that within the quarterly budget monitoring process all schools reported their projected outturn position for that year based on a forecast spend against budget, this included

any brought forward balances from the previous year. All school overspends were retained as an “overdrawn” balance until they returned to surplus, and schools in surplus retained their surpluses for use in future years. A table included in the report detailed the overall position for all schools as at period 8.

The report detailed the RAG status which identified schools where additional support and intervention may be required. Any school falling into a “Red” category would be monitored through the Schools in Financial Difficulty (SIFD) process. The report also outlined the process for monitoring and supporting schools which were registering an “Amber” or “Green” RAG status.

The Education Finance Manager then provided an outline of the Stage 2 monitoring process. Schools falling into the remit of a SIFD at Stage 1 would be further assessed based on the status of its improvement. Details of the Stage 2 criteria had been included in the report and it was explained that all schools falling within a “Red” category were classed as schools causing concern and would result in intervention from the School Improvement Service based on non-compliance with the requirements of the Scheme for Financing Schools and the School Funding Regulations. Schools falling within the “amber” status would be ones working proactively to address issues and would have already implemented changes, but had not as yet broken even. All schools within the “green” category would be on track to break even and have a formal recovery plan in place. An assurance was given that schools in surplus would not be penalised by having their surpluses diverted to assist those in deficit and an outline of the process adopted to address a deficit situation was provided.

Appendix 1 to the report provided details regarding the status of the eight Denbighshire Schools identified as being in financial difficulty. Currently there were no schools in a “red” category as they were all actively working with the Authority to achieve a balanced budget and address the outstanding deficit.

The Building Capacity in Schools project aimed to enhance the knowledge and skill base across Denbighshire schools thus creating a strong platform for financial management within the clusters. It had been anticipated that the increase in support would enhance schools’ ability to respond to changes in funding a lot quicker and allow them to identify savings more effectively at an operational level.

The Lifelong Learning Finance Manager responded to questions from Members and provided an outline of the current situations at various schools identified as being in financial difficulty. Areas covered by the officer included issues pertaining to managerial and staffing aspects and problems emanating from falling roles within schools. She explained that the scale of difficulties experienced by other Authorities was greater than that in Denbighshire and she felt this demonstrated that Denbighshire had recognised the problem areas and had adopted a robust process to address the situation.

Councillor G.A. Green questioned the accuracy and detail of the information provided, which he felt contained global figures and did not identify trends at each school which he felt would be more useful to the Committee in undertaking its scrutiny role. The Lifelong Learning Finance Manager explained that the figures provided did not

fully illustrate the work currently being undertaken in schools, and she provided examples of the problems being experienced and measures implemented to address them. She assured members that reductions in deficits were not reported until they had actually been achieved. The Chair explained it would not be within the remit of the Committee to scrutinise each school individually and Members supported the view that the officers had instigated the measures to address the situation and the concerns of elected members. Councillor E.W. Williams supported the view that the officers had undertaken their duties and roles in a professional manner.

During the ensuing discussion the Members agreed that a joint report, by the Head of Internal Audit Services and the Education Finance Manager, be submitted to the Committee in April or May, 2012 detailing the progress made in respect of the schools categorised as being in financial difficulty.

***RESOLVED – that Performance Scrutiny Committee:-***

- (a) receive the report and note the progress of the schools categorised as being in financial difficulty, and*
- (b) agrees that a joint report by the Education Finance Manager and the Head of Internal Audit Services be presented to the Committee in July, 2012 detailing the progress made in respect of the schools categorised as being in financial difficulty.*

**URGENT ITEM – CONCERNS RELATING TO A LOCAL SCHOOL**

The Head of School Improvement and Inclusion provided a detailed summary of a situation which had arisen at a local school. She explained that there was a confidential process being undertaken which she was not at liberty to discuss in any great detail at present. However, confirmation was provided that the Authority was currently taking a proactive stance to address the problems which had arisen.

During the ensuing discussion the Head of School Improvement and Inclusion responded to a number of questions from Members, and it was:-

***RESOLVED – that the Performance Scrutiny Committee note the position.***

**PART I**

**6. EXAMINATIONS RESULTS AT KEY STAGE 4 AND POST 16**

A copy of a report by the School Effectiveness Performance Officer: Secondary, which detailed the performance of Denbighshire's schools in external examinations at Key Stage 4 and Post 16, had been circulated with the papers for the meeting.

A summary of the Denbighshire's performance from 2008 to 2011 at Key Stage 4, Key Stage 3 Statistics and the Benchmarking Tables based on percentage of free School Meals, were circulated at the meeting.

The School Effectiveness Performance Officer: Secondary introduced the report and highlighted the following areas:-

- A significant improvement in the overall performance of pupils at Key Stage 4 across a range of indicators since 2009.
- Denbighshire having achieved a rank position commensurate with the free school meal (FSM) position in 2011.
- The number of pupils achieving the Level 2 Threshold having consistently increased over the last four years.
- 50% of secondary schools now being in the 1st and 2nd quartile.
- A summary of the Level 1 & 2 Thresholds.
- An increased of 8.6% in 2011 of pupils achieving the Level 2 Threshold including English/Welsh and Mathematics indicator.
- The Wider Points Score having increased from 395.9 in 2009 to 449.8 in 2011.
- The value added summary matched to prior attainment in KS2 for both model 1 and model 2a achieved 1st quartile position, and achieved 1st quartile position in KS3 model 1 and 2nd quartile position for model 2b this year.
- An increase in the Capped Wider Points score increased from 299.44 in 2010 to 317.6 in 2011. The rank position having improved from 16 in 2010 to 9 in 2011 which was above the FSM rank and above the Wales average.

Members were informed that all secondary schools in Wales had been banded and that the banding was partly based on the performance of schools. There were a total of five bands. There were no Band 5 (lowest band) schools in Denbighshire and 50% of Denbighshire schools were in Bands 1 and 2.

With respect to Special Schools:-

- At Ysgol Tir Morfa 50% of pupils achieved one or more Entry Level Qualifications and no pupil left full time education without a qualification.
- At Ysgol Plas Brondyffryn 53% of pupils achieved one or more Level 1 qualification and 7% achieved the Level 1 Threshold. 33% of pupils achieved one or more Entry Level Qualifications and no pupil left full time education without a qualification.

In response to a question, the Head of School Improvement and Inclusion confirmed that the qualifications achieved by the pupils at Ysgol Plas Cefndy were monitored closely, but that there was a review on the provision of behavioural support and Pupil Referral Units (PRUs) already planned to take place post the Estyn Inspection.

With respect to the Post 16 results:-

- The percentage of pupils attaining the Level 3 threshold had increased in 2011.
- Level 3 Threshold for students at the Rhyl Sixth had increased from 64% (the combined results for the former high schools' sixth forms) in 2010 to 91% in 2011. Unfortunately, this was below the County average, however these results did not count towards the local authority average
- A to E grade A-level pass rate had remained static in 2011 at 97.7%.

- The proportion of A grades, including the new A\* grade, had increased from 19.8% in 2010 to 24.1% in 2011.
- Students awarded the Welsh Baccalaureate Qualification's Advanced Diploma had increased from 95.7% in 2010 to 97.7% in 2011.
- The average wider points score had increased from 684.3 in 2009 to 688.0 in 2010, but had fallen to 647.9 in 2011. Overall ranking had fallen to 20 which compared unfavourably with the FSM position.

The Head of School Improvement and Inclusion referred to the forthcoming Estyn Inspection and provided an outline of the criteria against which the Authority would be measured in terms of performance. She also provided details relating to the criteria for the banding of schools, the calculations and the variables pertaining to banding being a very complex formula, and the funding arrangements for A level students.

A number of matters and issues were raised in respect of the following:-

- the transient population being a major issue for schools in some areas.
- the need to improve the accuracy of the Key Stage 3 Teacher Assessments and the bench marking of pupils through teacher assessments.
- each pupil having an individual profile to enable the identification of areas of learning difficulty through personal assessments.
- the increased recognition of the Welsh Baccalaureate Qualification's Advanced Diploma from the UK Government and from Ofsted in England.
- the importance of acknowledging the significant role of School Governing Bodies, and the need to ensure the provision of robust training for School Governors to assist them in undertaking their duties.

Councillor G.C. Evans referred to the Estyn Inspection and highlighted the importance of acknowledging the work undertaken and the achievements and improvements attained over recent years. The Head of School Improvement and Inclusion explained that Estyn would be aware of the areas of improvement through the Self Evaluation Report, and would be likely to focus its attention on the Council's plans to sustain the improvements and secure further advancement in future years. Following further discussion, it was:-

***RESOLVED*** – *that the Committee receive the report and notes the performance of schools against previous performance, and the external benchmarks available.*

## **7. FINANCIAL REPORT**

A copy of a report by the Head of Finance and Assets, which provided an update on the progress of the Council's revenue budget and the efficiency savings programme, had been circulated with the papers for the meeting.

The monthly finance monitoring report provided an update on the movements on the year end forecasts for the Council's revenue budget along with a summary of the Capital Plan and the Housing Revenue Account (HRA). The report presented to Cabinet in December, 2011 had been included as Appendix 1.

The report indicated a probable under spend of about £294k on Council services excluding schools for 2011/12. A number of the savings had arisen as services had prepared for savings in 2012/13. During the budget setting process an allowance of 5% for slippage against savings had been made and with all services forecasting underspends, or a balanced position, it was likely the allowance would not be needed and would generate an underspend in itself.

Schools were still forecasting an over spend of circa £446k. One of the key risks to forecasting year end figures was that the Welsh Government (WG) often made one-off grants available to Councils late in the financial year. Since the presentation of the finance report to Cabinet the Council had received notification that an additional £200k would be received for Highways revenue works which would have to be spent in the current financial year.

The external financial environment continued to be highly volatile and had been both a short term risk for investments and a longer term risk for the future financial settlements the Council may receive. Short term risks would be managed through the Council's Treasury Management Strategy and the Corporate Governance Committee, longer term risks were managed through the Medium Term Financial Plan (MTFP).

The Principal Accountant responded to questions from Members regarding the financial pressures relating to the capping of care fees and the Judicial Review of Pembrokeshire County Council's methodology for setting care home fees. The Corporate Improvement Manager confirmed that the risk of significant initial costs in relation to the care homes issue had been included in the Corporate Risk Register.

In response to concerns expressed regarding Prudential Borrowing, and the Council's current total sum of borrowing of £136m at an average rate of 5.73%, it was agreed that a comparison be provided for future budget setting meetings of Denbighshire's borrowing profile compared with other local authorities in Wales. Councillor J. Thompson-Hill confirmed that Denbighshire's borrowing rate compared favourably with other Welsh authorities and that they were comfortable within terms of risk. The Principal Accountant provided details of Denbighshire's borrowing strategy and outlined borrowing costs in relation to the Authority's budget. The Committee was informed that the Revenue Budget and Treasury Report would be presented to Full Council and Members noted the current financial position.

In reply to questions, the Joint Head of Highways and Infrastructure provided an update report in respect of the Rhyl Coastal Defence scheme, which he confirmed was progressing well. The Corporate Director: Business Transformation and Regeneration outlined the need for further negotiations with the WG regarding future phases of the project and regeneration of the area taking into consideration risks pertaining to flooding.

During the ensuing discussion, the Committee accepted the report and requested that information, possibly in the form of a graph or a chart, be included in the most appropriate report to Council in February 2012 on Denbighshire's Prudential Borrowing profile in comparison to other local authorities in Wales. The Committee was of the view that this would reassure Members that the Council was not borrowing beyond its means. It was also agreed by the Committee to defer the item on 'Monitoring of the Capital Plan' from February to April, 2012 when it would also consider the next Revenue Budget report. Whilst acknowledging that neither report would be an end of year report, the Committee agreed with the views of the officers that it would be prudent to have 'position' reports as a means of handing over to the new Council. The Committee:

**RESOLVED – to:-**

- (a) *subject to the above observations to receive and note the contents of the report, and*
- (b) *agree that a Prudential Borrowing profile graph/chart on Denbighshire's borrowing in comparison to other local authorities in Wales be provided to future Council budget setting meetings.*

**8. HIGHWAYS AND INFRASTRUCTURE**

A copy of a report by the Joint Head of Highways and Infrastructure, which detailed the highway improvements and street works programme, including accessibility through adequate provision of dropped kerbs, and provided an update on recent work seeking Members' views on the delivery of one of the Council's priority services and a corporate priority, had been circulated with the papers for the meeting.

The Joint Head of Highways and Infrastructure invited Members attention to Appendix A to the report which outlined the Highways approach to improving accessibility through the provision of dropped kerbs. He also referred to Appendix B which detailed the Highway Capital Works Programme for 2011/2012. Following close consultation with Officers, Members and Town and Community Councils a programme of works totalling almost 200 individual schemes had been drawn up, of which approximately 70% had been completed.

The following issues were raised by Members and responses provided by the officers:-

- In response to a question the Joint Head of Highways and Infrastructure provided details of progress with regard to the contract status of various schemes contained in Appendix B.
- The Committee supported a request that each Member Area Group be provided with the latest reports pertaining to schemes in Appendix B, detailing the progress made in respect of projects located in their respective areas.
- The Joint Head of Highways and Infrastructure outlined the inspection process for new and repair work undertaken by external contractors on highways.



- It was agreed that the Joint Head of Highways and Infrastructure arrange an examination of the quality of the work undertaken by the Jetpatcher in the Graigfechan area.
- Members raised concerns regarding the quality of the work undertaken on Abbey Road, Llangollen and the poor condition of the A5104 near Bodidris Hall, Llandegla. The Joint Head of Highways and Infrastructure explained that work to address the problems on the A5104 had been delayed as the area in question formed part of a designated Site of Special Scientific Interest (SSSI) area. The Joint Head of Highways and Infrastructure agreed to liaise with the Countryside Council for Wales (CCW) and the Council's Legal Department, highlighting possible Health and Safety concerns, and report the outcomes of his enquiries to the Committee.
- It was confirmed by the Joint Head of Highways and Infrastructure that dropped kerbs would be provided in rural areas depending on a criteria based on the level of need and demand. It was confirmed that Councillor D. Hannam had been invited to the meeting for the discussion on this issue as she had originally raised it, but unfortunately she was not able to attend.
- The Committee was informed that any claims for damage caused to the highway by private individuals or companies would be difficult to pursue.
- Details of funding in respect of Sustrans and the Safer Routes in Communities, was outlined by the Joint Head of Highways and Infrastructure.
- In response to concerns raised by the Chair regarding the temporary traffic lights near Gwyddelwern, the Joint Head of Highways and Infrastructure agreed to pursue the issue regarding the lack of progress with the Trunk Road Agency.

Councillor W.L. Cowie expressed his appreciation for the work undertaken by the Authority with respect to the provision of dropped kerbs in St. Asaph. The Corporate Director: Business Transformation and Regeneration explained that the Chief Executive had received positive feedback in relation to the work carried out and the investment undertaken on the highways infrastructure. Following further discussion, it was:-

***RESOLVED – that the Performance Scrutiny Committee agrees that:-***

- (a) the report be received and its contents noted;*
- (b) the Member Area Groups be provided with the latest reports pertaining to schemes in Appendix B, detailing the progress made in respect of projects located in their respective areas;*
- (c) an inspection be undertaken of the work carried out by the Jetpatcher in the Graigfechan area;*
- (d) the Joint Head of Highways and Infrastructure liaise with the Countryside Council for Wales regarding the delays in addressing the poor condition of the A5104 near Bodidris Hall, Llandegla, and*
- (e) the Joint Head of Highways and Infrastructure convey the Committee's concerns to the Trunk Road Agency regarding the lack of progress with the*

*highway improvements and the continuing need for temporary traffic lights near Gwyddelwern.*

***The meeting broke for lunch at 1.00 p.m. and reconvened at 2.00 p.m.***

### **PRESENT**

Councillors R.L. Feeley (Chair), G.C. Evans, G.A. Green, C. Hughes, T.R. Hughes and H.L.I. Jones.

Councillors W.L. Cowie, P.A. Dobb, P.J. Marfleet and J. Thompson-Hill attended as Observers.

### **ALSO PRESENT**

Corporate Director: Business Transformation and Regeneration (BJ), Head of Adult and Business Services (PG), Head of Internal Audit Services (IB), Principal Energy Manager (RJ), Property Manager (CD), Service Manager: Business and Careers (AHJ), Scrutiny Coordinator (RE) and Administrative Officer (CIW).

### **APOLOGIES**

Councillor M.J. Eckersley, I.A. Gunning and L.M. Morris.

## **9. ENERGY EFFICIENCY**

A copy of a report by the Head of Finance and Assets, which presented an overview of the Council's progress in becoming more energy efficient, had been circulated with the papers for the meeting. A copy of the Denbighshire's Internal Audit Services, Carbon Reduction Commitment (Phase 2) report had been circulated with the Information Update for the meeting.

The Committee had invited the Lead Member for Modernising the Council to the meeting for the discussion on this report. The Lead Member outlined the challenges facing the Authority, and the three main reasons for the need to examine and reduce energy consumption which included the financial implications relating to increasing energy costs, a moral duty to look at reducing energy consumption and the Authority's commitment to carbon reduction. He referred to the three ways of reducing energy consumption which included improved management of energy usage, educating all staff on energy usage and a reduction, through the accommodation review, in the number of buildings using energy.

The Lead Member summarised the report which provided an update on the Council's progress in becoming more energy efficient, information on the accuracy of utility billing and carbon reporting and sought the Committee's views on the measures taken and being developed to improve performance in energy efficiency and consequently mitigate the risks of additional financial costs to the Council.

The Property Manager outlined the following key areas of the report for Members of the Committee:-

- the Council's energy consumption and costs in 2010/11.
- development of a Carbon Trading Scheme by the Government, which had since been converted into a tax scheme which penalised authorities rather than reward them
- Appendix 1 which incorporated a graph indicating 2 years' energy consumption and a comparison between Denbighshire and other Welsh authorities with respect to Performance Indicator (PI) EEF/002.
- Appendix 2 detailing the improvements in meter readings during the first 6 months of 2011 and the installation of Smart Meters.
- the Senior Leadership Team (SLT) had made a commitment to ensuring that accurate meter reading data was available, which included an agreed protocol introduced at the beginning of 2011.
- the majority of sites having benefited from the installation of energy saving measures with some having been advised on good housekeeping practices; and
- problems encountered by Denbighshire's gas supplier with regard to its computer billing software.

The report provided an outline of the following Energy Saving Projects:-

- the undertaking of a significant number of energy saving projects using both Council funds and interest free loans from Salix. Appendix 3 provided a sample of projects undertaken during 2010/11 and their impact on energy usage for the first 6 months of this year. Appendix 4 included a sample of projects undertaken during 2011/12 and their likely impact on energy costs. Further projects were being developed and delivered.
- a detailed review of possible major renewable energy schemes had been undertaken during 2011. The review had discounted large scale energy farms as not cost effective given the likely changes to government subsidies. However, it had recommended medium scale, site specific investment at 4 large secondary schools which would use a mixture of technologies.
- details of work undertaken at Rhyl Leisure Centre with a major energy supplier to look at introducing a renewable energy heating system, whilst details of another possible solution currently being explored to achieve a more efficient energy usage rate in respect of the underground car park in Rhyl were outlined.

The report also provided an outline of the following pressures experienced by the Department:-

- despite the adoption of a Carbon Reduction Strategy in 2008 setting a target for a reduction in energy usage of 3% per year no additional resources, and a very limited budget for energy saving projects, had been allocated.
- a departmental restructure in 2010 to place a bigger emphasis on energy efficiency and the development of the dedicated team.

In reply to concerns expressed by Councillor G.A. Green regarding the reduction in the Assurance Rating in the recent Internal Audit reports from 4 to 3, the lack of information presented in the meter reading charts which contained percentage

details only and timescales for implementing actions to mitigate risks not having been identified, the Head of Internal Audit Services outlined the reporting criteria in respect of Assurance Ratings and stressed that both reports did not measure like for like. He did stress that the most recent report provided a more accurate assessment of Internal Audit's opinion. The Principal Energy Manager confirmed that further detailed information could be provided in respect of meter reading returns and their accuracy, and he also provided details pertaining to the penalty charge criteria.

The Corporate Director: Business Transformation and Regeneration confirmed that the SLT had directed Heads of Service to address any problems relating to the submission of meter readings and any problems regarding this issue should be reported back to the SLT. The Lead Member stressed the importance and need for Heads of Service to adhere to management policies and it was confirmed that the concerns expressed by the Committee regarding the submission of meter readings would be conveyed to the SLT and the appropriate action taken.

The Property Manager referred to the management and investment aspects regarding the implementation of energy efficiency saving measures and reference was made by the Corporate Director to corporate responsibility and cost benefits to service providers.

In response to the concerns highlighted by the Committee, Members felt that at this late stage in the Council's term of office there would be no real benefit in establishing a task and finish group to examine this issue and that it may be more beneficial for a report to be submitted to Cabinet highlighting the Committee's concerns about the Council's performance in meeting the Performance Indicator with respect to the percentage change in carbon dioxide emissions in the non-domestic building stock, and the Authority's overall progress in becoming more energy efficient and meeting statutory requirements to avoid financial penalties. They also felt that officers should be instructed to raise the profile of energy efficiency across the Authority and that where agreed protocols exist and reasonable support had been provided to enable services to adhere to those protocols, implement the relevant enforcement procedures to address repeated non-compliance.

*During the ensuing discussion it was agreed that the Committee receive a progress report from the Lead Member and relevant officers at its February 2012 meeting, and that the recently appointed Sustainable Assets Project Manager be invited to attend the meeting.*

**RESOLVED** – *that the Performance Scrutiny Committee:-*

- (a) receives the report;*
- (b) requests that officers be instructed to raise the profile of energy efficiency across the Authority and that where agreed protocols exist and reasonable support had been provided to enable services to adhere to those protocols, implement the relevant enforcement procedures to address repeated non-compliance.*
- (c) receives a progress report from the Lead Member and relevant officers at its February 2012 meeting, and*

*(ch) invites the recently appointed Sustainable Assets Project Manager to attend the February 2012 meeting.*

## **EXCLUSION OF PRESS AND PUBLIC**

**RESOLVED** – *that under Section 100A of the Local Government Act 1972, the Press and Public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 14 of Part 4 of Schedule 12A of the Local Government Act 1972.*

## **PART II**

### **10. CARE HOMES FEES**

A copy of a confidential report by the Head of Adult and Business Services, which outlined a revised methodology for setting a fair rate for care home fees in collaboration with Wrexham and Flintshire Councils, in line with the Welsh Government's guidance on commissioning adult social care services, had been circulated with the papers for the meeting.

The Head of Adult and Business Services provided a detailed summary of the report and highlighted the following key areas and issues relating to:-

- Commissioning Guidance.
- Existing Arrangements.
- Judicial Review of Pembrokeshire County Council.
- Proposed Methodology for Denbighshire.
- Hotel and Management Costs.
- Other Costs; and
- Regional Work.

The Head of Adult and Business Services explained that following the judicial review Pembrokeshire County Council had been required to re-evaluate the sum it paid to care homes due to the Judicial Review determining that the decision making process it had applied had been unlawful. The outcome had resulted in Pembrokeshire recalculating their fees based on a more robust methodology to address the issues raised. The Committee was informed that failure by Denbighshire to develop a revised methodology for setting a fair rate, which ensured compliance with statutory guidance, could result in it being subject to judicial review. He explained that he felt the methodology being proposed would comply with the commissioning guidance, however, he outlined the risk elements involved.

In response to a question from Members, the Head of Adult and Business Services provided details of the financial implications, and possible additional costs, to Denbighshire as a result of a second judicial review against Pembrokeshire County Council.

During the ensuing discussion the Committee agreed that the contents of the report be noted, and that the Lead Member be requested to monitor the situation and report the financial details to the Committee when available.

**RESOLVED** – that the Performance Scrutiny Committee:-

- (a) receive and note the contents of the report; and
- (b) requests the Lead Member to monitor the situation, and report the financial details of the additional costs to the Committee when available.

## **PART I**

### **11. SCRUTINY 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.

The Committee supported a suggestion by the Chair that in view of the workload of the Committee regular corporate reports received quarterly be submitted on a six monthly basis. The Scrutiny Coordinator explained that the Scrutiny Review Board had noted the number of corporate reports being submitted to the Committee. She referred to the decision taken to receive the 'Your Voice' complaints report on a six month basis, with an information report on a quarterly basis as included in the Information Update for the current meeting, and suggested that this approach may provide a solution in respect of other corporate reports. It was confirmed that exceptions reporting on performance project issues could be considered but not in respect of the Monitoring of the Corporate Plan. The Corporate Director: Business Transformation and Regeneration highlighted the importance of Scrutiny Committees' role in scrutinising the total performance and financial wellbeing of the Authority and emphasised the need for the Committee to receive Finance Reports on a regular basis.

Members agreed that the issue pertaining to Energy Efficiency be referred to SLT with a report also being submitted to Cabinet in January, 2012. The Committee also agreed that for the purpose of the update requested on Energy Efficiency for the next meeting on 23 February that it be incorporated into the Quarterly Performance Monitoring Report on the Corporate Plan.

The Scrutiny Coordinator provided a summary of the report and following matters and issues were raised:-

Members agreed that the next meeting on 23 February be scheduled as an all day meeting.

The Scrutiny Coordinator confirmed that a template created to enable Committee representatives to report back to the Committee on discussions and decisions at various group/board meetings they attend on behalf of the Committee had been circulated to all members. The Scrutiny Chairs and Vice-Chairs Group had agreed that an additional standing item would be included on future agendas to enable Members to provide verbal feedback from meetings.

The Scrutiny Coordinator explained that the final business case for the Regional School Effectiveness and Inclusion Service would be considered by Scrutiny prior to

being submitted to Cabinet in February, 2012. Members agreed that this was a Partnerships issue, however, it was agreed that a special meeting of the Performance Scrutiny Committee could be convened if required.

The Committee considered its draft work programme for future meetings, as detailed in Appendix 1, and the following amendments and additions were agreed:-

23<sup>rd</sup> February, 2012:-

- Energy Efficiency be incorporated into Monitoring Performance Against the Corporate Plan (QPR3) and Project Register report.
- Monitoring of the Capital Programme be included in the April, 2012 meeting.
- Members were informed that the Planning, Regeneration and Regulatory Services item would be included as the first business item on the agenda of February's meeting.
- Schools in Financial Difficulty to be included in the work programme for July, 2012:

The Committee:

**RESOLVED** – *that,*

- (a) *subject to the above amendments to approve the Future Work Programme as set out in Appendix 1 to the report; and*
- (b) *a report be submitted to Cabinet at its January meeting highlighting the Committee's concerns in relation to the Council's performance in meeting the Performance Indicator with respect to the percentage change in carbon dioxide emissions in the non-domestic building stock, and the Authority's overall progress in becoming more energy efficient and meeting statutory requirements to avoid financial penalties.*

Meeting ended at 3.30 p.m.