

# NOTES OF A MEETING OF THE JOINT CHAIRS AND VICE-CHAIRS STEERING GROUP – SCRUTINY, AUDIT AND DEMOCRATIC SERVICES COMMITTEES

16 MAY 2014 – CABIN MEETING ROOM, COUNTY HALL, LLANDRINDOD WELLS

**PRESENT:** County Councillor S.C. Davies (Chair).

County Councillors M Mackenzie, E.Michael Jones, A.W. Davies, and R.G. Thomas.

## **Officers:**

Jeremy Patterson (Chief Executive), David Powell (Strategic Director – Resources), Wyn Richards (Scrutiny Manager), Liz Patterson (Scrutiny Officer), Peter Jones (Programme Office Manager).

## **1. Chair and Vice-Chair.**

- (i) **RESOLVED** that County Councillor S.C. Davies be elected Chair for the ensuing year.
- (ii) **RESOLVED** that County Councillor A.W. Davies be elected Vice-Chair for the ensuing year.

## **2. Apologies**

County Councillors - County Councillor W.T. Jones, J.G. Morris.  
Officers – Clive Pinney (Solicitor to the Council), Lisa Richards (Scrutiny Officer), Paul Griffiths (Strategic Director – Place), Nick Philpott (Director – Change and Governance), Amanda Lewis (Strategic Director – People).

## **3. Notes of Last Meeting**

### **Documents Considered:**

- 21<sup>st</sup> March, 2014

### **Issues Discussed:**

- None.

### **Outcomes:**

Action	Completion Date	Action By
Dates to be included in notes to indicate when outcomes to be achieved	end of May 2014	WR

## **4. Issues Referred from Other Committees – Audit Committee.**

### **Documents Considered:**

- None.

### **Issues Discussed:**

- Role of Joint Chairs in monitoring blue items on trackers (i.e. completed project items). Concern raised by the Audit Committee that with some tracker items being the responsibility of other organisations, how does the Council have an assurance that these items have been signed off.
- Joint Chairs advised that the trackers are considered by the Management Team and then the appropriate Cabinet Programme Board. It was unlikely that

regulators would raise comments regarding completed items unless the issue was statutory. The Management Team will receive reports with requests to close projects which will need approval as well as the approval of the Programme Board.

- Internal Audit reports are considered by the Audit Committee’s Internal Audit Working Group, but also need to be seen by scrutiny. However scrutiny can be involved before the action plan to address the issues raised by the report has been completed. Low assurance reports are also circulated to relevant Scrutiny Chairs by the Scrutiny Manager in a process established some years ago.
- There is a need to revise the process for consideration of Internal Audit reports as part of the Constitution, to include referral of items by the Audit Committee to scrutiny.
- The question was raised as to whether external regulator reports should be processed in the same way. It was suggested that Joint Chairs should act as a filter for external regulator reports.
- The Wales Audit Office (WAO) has discussed its work programme with the Management Team and this programme needs to be fed into the scrutiny process. WAO currently are focussing more on national reviews rather than local reviews. However there is also an opportunity for scrutiny to utilise WAO to undertake some work for the Council.
- An external review of the operation of the Internal Audit Section is currently being undertaken to look at its operational framework.
- Concern was raised that in relation to workshops there were currently 2 groups considering this, the Internal Audit Working Group and the Disposal of Assets Working Group. It was suggested that members of the Disposal of Assets Working Group should be invited to attend the meeting of the Internal Audit Working Group when the Council’s Valuer was discussing the issue of workshops.

**Outcomes:**

<b>Action</b>	<b>Completion Date</b>	<b>Action By</b>
<b>Additional tick boxes to be included on the tracker to show that Management Team and the Programme Board have agreed to sign off completed projects.</b>	<b>end of July 2014</b>	<b>PJ</b>
<b>Update on the process for dealing with Internal Audit reports to the next meeting of the Joint Chairs.</b>	<b>18<sup>th</sup> July Joint Chairs meeting</b>	<b>WR / DP</b>

**5. Annual Governance Statement.**

**Documents Considered:**

- None.

**Issues Discussed:**

- The document had been drafted but could not be completed as it required information from the Internal Audit Annual Report which was also in the process of being completed.
- The draft document would also need to be considered by the Management Team and informal Cabinet prior to being scrutinised by the Joint Chairs.
- The Annual Governance Statement would be included in the Council’s Statement of Accounts which would need certification by the Strategic Director –

Resources by the end of June and approved by the Audit Committee by the end of September.

**Outcomes:**

<b>Action</b>	<b>Completion Date</b>	<b>Action By</b>
<b>The draft Annual Governance Statement be circulated to the Joint Chairs for comment following consideration by the Management Team and Informal Cabinet</b>	<b>end of June 2014</b>	<b>PJ / WR</b>

**6. Annual Performance Assessment.**

**Documents Considered:**

- None.

**Issues Discussed:**

- The process utilised in 2013 resulted in approximately 380 challenges which proved difficult for services to deal with. Some of those challenges could also have been resolved on the day.
- Regulators whilst holding up last year's process as an example of good practice commented that the Council was still not good at demonstrating what differences had been made as a result of actions taken.
- This year's process had been amended to operate as workshops to which scrutiny Members, Portfolio Holders and officers would attend so that challenges could be dealt with on the day. It would also focus on outcomes and would be an assessment of the Powys Change Plan 2012 – 2016. The Council has a statutory duty to publish the assessment report by October 2014.
- The Joint Chairs questioned how the annual performance assessment report would be circulated to the public now that the Council has stopped using the Red Kite magazine. It was noted that this would need to be discussed with the Communications Section and the outcome fed back to the Joint Chairs with the final report.

**Outcomes:**

<b>Action</b>	<b>Completion Date</b>	<b>Action By</b>
<b>The Leisure and Recreation workshop be scrutinised by the Cultural Services Working Group together with representatives of the Environment, Infrastructure and Crime and disorder Scrutiny Committee rather than the Dog Fouling Working Group</b>	<b>end of May 2014</b>	<b>PJ / WR</b>
<b>The scrutiny working groups be advised of the dates of the workshops</b>	<b>end of May 2014</b>	<b>WR / LR / LP</b>
<b>The workshop information be amended to include details of which sections of the Powys Change Plan would be referred to by each workshop</b>	<b>end of May 2014</b>	<b>PJ / RJ</b>
<b>Feedback to the Joint Chairs as to how the final report is to be circulated to the public</b>	<b>end of September 2014</b>	<b>PJ</b>

## 7. Assessments of Work Programme Items.

### Documents Considered:

- Overview Report.
- Feedback Reports – People Scrutiny Committee; Environment, Infrastructure and Crime and Disorder Scrutiny Committee; Audit Committee.

### Issues Discussed:

- There is a need for the Joint chairs to consider the risk report following its consideration by the Audit Committee to assess whether any of those items identified required scrutinising.
- Question raised as to whether with regard to the Commissioning and Procurement review, the Wales Audit Office could undertake this work for the Council.
- The Working Group considering the enforcement of dog fouling had identified that this work could have an impact on the enforcement action being taken regarding on street parking with a detrimental impact on income generation due to low numbers of car parking enforcements being undertaken on a daily basis. There is also an issue that machines used in car parks were not fit for purpose. The cost of running the car parking service needed to be considered particularly if the enforcement service was not covering its costs.

### Outcomes:

Action	Completion Date	Action By
Commissioning and Procurement Review – consideration of whether this can be undertaken by the Wales Audit Office on behalf of the Council	end of June 2014	WR / DP
Risk report to be considered by the Joint Chairs following consideration by the Audit Committee.	end of June 2014	WR / DP / LR
Enforcement of Dog Fouling Working Group's remit to be widened to consider the impact of this enforcement work on the on street parking enforcement work and in addition whether the enforcement service was covering its costs	end of July 2014	LR

## 8. Discussion with the Chief Executive, Strategic Directors / Director regarding Potential Scrutiny Items.

### Documents Considered:

- None.

### Issues Discussed:

- 3<sup>rd</sup> party spending:
  - approximately £140 million spent per annum. The Council has been advised that there is more potential for savings in this area. The Cabinet is considering working with an external partner to progress this. An external partner would be paid by results in delivering savings.

- Scrutiny could evaluate the strategic view for this work and the potential outcomes i.e. the strategic direction.
- Resourcing of Procurement:
  - how does the Council obtain further resources to deliver better procurement utilising a new commercial team. Procurement is more complicated than just purchasing and involves working with the market place and the Council working differently. Scrutiny could consider the proposals as to how this project was scoped and whether it would deliver the anticipated savings. Scrutiny could also consider the engagement by services and whether ideas were forthcoming for consideration by the commercial team.
  - It was noted that the Cabinet had established a procurement group and there would need to be a dialogue between that group and the scrutiny group.
- It was further suggested that the work in relation to 3<sup>rd</sup> party spend and procurement could be considered by the Procurement and Commissioning Working Group which had already been established.
- Delaying of the staffing structures:
  - This work had commenced although there were questions from the Cabinet as to how good officers were at challenging each other.
  - The Hay Group toolkit had been used in some services with Management Team challenging in other areas. Management Team will need to take a view on this issue by September.
  - Scrutiny could take an overview of how the delaying process has worked.
  - There is currently a concern regarding delaying in such services as highways which is being reviewed by the Strategic Director – Place.
  - The Joint Chairs questioned some recent appointments where it appeared that those senior appointments did not have a service background. However the Chief Executive explained that these appointments were as managers not service specific roles, and these officers were there to challenge and lead services. Sickness levels generally within the Council were good by comparison to other Council with only some exceptions. No issues of concern in relation to sickness had been raised with the Chief Executive.

**Outcomes:**

<b>Action</b>	<b>Completion Date</b>	<b>Action By</b>
<b>Consideration of whether 3<sup>rd</sup> party spend and the resourcing of procurement could be added to the remit of the Commissioning and Procurement Working Group</b>	<b>end of June 2014</b>	<b>WR / DP</b>
<b>3 items to be added to the list of potential items for scrutiny in the Overview Report</b>	<b>end of May 2014</b>	<b>WR</b>

**9. Responses.**

**Documents Considered:**

- Email from the Leader to the Scrutiny Manager – response to scrutiny representations on the draft budget.
- Response from Dominique Jones (Senior Manager, Organisational Development and Partnership Support) to County Councillor Wynne Jones – response to comments on the draft One Powys Plan.

**Issues Discussed:**

- Whilst seminars are a good starting point, Members need more detailed information on what is proposed to be involved in decision making on the budget. There is also a need for greater forward planning by the Council to plan services rather than making minor changes on a regular basis.
- Need to look at the process for the future and in particular how to get the Cabinet to accept more of the scrutiny recommendations.
- There was a general disappointment regarding the Cabinet's engagement with the recommendations made from scrutiny.
- Revised process for the budget preparation of the budget considered by the Cabinet in May.

**Outcomes:**

Action	Completion Date	Action By
Cabinet report 6 <sup>th</sup> May, 2014 regarding the preparation of the budget 2015-16 to be circulated to the Joint Chairs	end of May 2014	WR

**10. Local Service Board.****Documents Considered:**

- None.

**Issues Discussed:**

- Need for a discussion by Joint Chairs as to where scrutiny fits in the governance structure for the Local Service Board (LSB) and the monitoring of the delivery of the One Powys Plan. The LSB receives a high level tracker in relation to the One Powys Plan and it was suggested that this might be a starting point also for the Joint Chairs.

**Outcomes:**

Action	Completion Date	Action By
The Joint Chairs to receive a presentation at the next meeting on scrutiny's role in the governance arrangements for the Local Service Board	18 <sup>th</sup> July 2014	WR / PJ / DJ

**11. Dates of future meetings**

- 18<sup>th</sup> July, 2014
- 19<sup>th</sup> September, 2014
- 14<sup>th</sup> November, 2014

## **12. LSB Meeting Dates**

- 12<sup>th</sup> June, 2014
- 25<sup>th</sup> September, 2014
- 11<sup>th</sup> December, 2014

**County Councillor S.C. Davies  
Chair**