



## **MINUTES OF A MEETING OF THE CORPORATE SCRUTINY COMMITTEE HELD ON 5th FEBRUARY 2020**

**PRESENT:** Councillor T Jay (Chair), Councillors B Price, R Claymore, S Goodall, Dr S Peale, P Standen and M Summers

**CABINET** Councillor Daniel Cook

The following officers were present: Andrew Barratt (Chief Executive), Anica Goodwin (Executive Director Organisation), Stefan Garner (Executive Director Finance), Rebecca Neill (Head of Audit & Governance and Monitoring Officer), John Day (Knowledge, Performance and Insight Co-ordinator) and Jo Hutchison (Democratic Services, Scrutiny and Elections Officer)

Apologies received from: Councillor(s) R Bilcliff and R Ford

### **80 DECLARATIONS OF INTEREST**

There were no declarations of interest.

### **81 CHAIR'S UPDATE**

There was no update from the Chair at this time.

### **82 RESPONSES TO REPORTS OF THE CORPORATE SCRUTINY COMMITTEE**

No reports of the Corporate Scrutiny Committee had been made to Cabinet since the last meeting.

### **83 CONSIDERATION OF MATTERS REFERRED TO THE CORPORATE SCRUTINY COMMITTEE FROM CABINET / COUNCIL**

No items had been referred to this Committee.

### **84 WORKING GROUP UPDATES**

There were no working group updates received at this meeting.

### **85 2019/20 FORWARD PLAN**

The Committee considered the Forward Plan and noted that there were no new items for this Committee's consideration at this time.

## **86 QUARTERLY PERFORMANCE REPORT REVIEW 2019/20**

The Report of the Committee Chair provided an update and proposed improvements to the quarterly performance update and financial healthcheck report.

The Chair invited the Executive Director, Finance to provide an overview to the Committee of the review which had been undertaken and the outputs contained within the report.

The Executive Director reported that following a meeting with members of the Quarterly Performance Report working group drafts of potential content for an executive summary to the QPR report had been circulated, and it was agreed that this should include data from the previous 8 quarters such that trends could be identified.

The Committee sought and received assurance that:

- the detailed report would still be provided to the Committee together with the proposed executive summary;
- there would be commentary against each metric in the executive summary which would address any key issues and /or variances shown.

**RESOLVED** that:

Corporate Scrutiny Committee endorsed the proposed improvements; and

A recommendation be made to Cabinet that the changes be approved for implementation in the Quarterly Performance from Quarter 4 2019/20

*(Moved by Councillor Dr S Peale and seconded by Councillor M Summers)*

## **87 QUARTER THREE 2019/20 PERFORMANCE REPORT**

The Report of the Leader of the Council which provided the Committee with a performance update and financial healthcheck was received.

The Leader of the Council introduced the report and updated the committee on a correction to the RAG status of the Corporate Debt Strategy metric from red to green.

The Leader of the Council apologised to members for the delay in circulating the Government response which he had received to the joint letter from himself and the Leader of the Opposition on universal credit. This response had now been circulated to all members.

The Executive Director, Finance highlighted the following items from the Quarterly Performance Report:

- income collection rates (Council tax, business rates and rents) were on target;
- the General Fund and the Housing Revenue Account had a favourable variance against budget; and
- that the capital programme indicated that projects to the value of c.£13m would be deferred to 2020/21.

The Committee sought and received clarifications in the following areas:

- How changes from the Fairer Funding Review could affect Tamworth. The Leader responded that he had written to the local MP on this point and the damage it would do to the Council's long term financial forecast and would be having a meeting shortly with him. The Leader had also responded to the Government's consultation on the budget. The Leader agreed to feedback to members once responses had been received;
- The ICT Strategy and how the IT strategy would address the financial issue and workstreams. The Executive Director Organisation responded that accelerating the roll out of IT solutions could deliver savings and also contract changes (telephony and printers) were expected to deliver savings. In terms of whether disaster recovery should also be a workstream within the strategy, the Executive Director highlighted all the activities already in train in this regard, including business continuity plans for every critical service, and involvement in Staffordshire wide business continuity activities.
- Plans associated with the corporate investment strategy and when further capital would be invested. The Executive Director, Finance reported that £3.8m of the approximately £12m had been invested and was yielding approximately 4%, and that the plan was that a further £4m would be invested by March 2020, and depending on the funds invested in would be expected to deliver around 4%. This was expected to be followed by a further investment post March 2020 of approximately £4m. The Executive Director, Finance reported that these were long term investments and that whilst the fund value may go up or down, the objective was to deliver an income to support the Council's delivery of services. The Executive Director confirmed that the yield figure when reported to the Committee was calculated against the original purchase price into the fund (and not the current value of the fund). It was also reported that the mitigation measures which were reported were for a period of 5 years and were as a result of accounting standard changes. Following the five year period revenue losses or gains after that 5 year period would need to be reported within year.

The Committee thanked the Executive Director, Finance and the Knowledge, Performance and Insight Co-ordinator for the report and for their helpful explanations to the Committee.

**RESOLVED** that the Quarter Three 2019/20 Performance Report be endorsed.

*(Moved by Councillor S Goodall and seconded by Councillor R Claymore)*

**88 CORPORATE SCRUTINY COMMITTEE WORK PLAN**

The Corporate Scrutiny Committee Work Plan was considered.

**Corporate Scrutiny Work Plan**

<b>Work Plan 2019 – 2020</b>		
<b>TARGET MEETING DATE</b>	<b>SUBJECT</b>	<b>MEETING WHEN ITEM ADDED TO WORK PLAN</b>
5 <sup>th</sup> February 2020	QPR Q3 2019/20 Report	Regular item
5 <sup>th</sup> February 2020	Review of senior management restructuring (update)	
5 <sup>th</sup> February 2020	Working group report on QPR Report Executive Summary	June 2019
25 <sup>th</sup> March 2020	Member Training update	June 2019
25 <sup>th</sup> March 2020	Member Support Working group – sub group on Member Communications	
25 <sup>th</sup> March 2020	Review of Cabinet decisions over previous 12 month period	
May 2020	Parking Toolkit review	October 2019
June 2020	Gungate Masterplan	January 2020
June 2020	Local Council Tax Reduction Scheme 2021 onwards - revisit	November 2019
July 2020	Review of Legal Services (post implementation)	November 2019
August 2020	The Assembly Rooms – review of project	November 2019
TBC	Housing Repairs & Investment Contract Review	November 2019
TBC	Solway Trading Company Update (2x per year)	December 2019
TBC	Market tender progress Update	August 2019
Quarter 4 2020	Asset Management update	December 2019

**Upcoming Corporate Scrutiny Committee Meetings**

25<sup>th</sup> March 2020 (moved from 12<sup>th</sup> March)

## 89 REVIEW OF SENIOR MANAGEMENT RESTRUCTURING

The Chair welcomed the Chief Executive and the Executive Director, Organisation to the Meeting.

The Report of the Chief Executive on the Senior Management Review was received by the Committee and the Chief Executive highlighted the following points:

- The key drivers for the review were to ensure that the organisation focussed on the ability to deliver the corporate plan and strategic objectives and deliver the savings target;
- To become more agile and responsive;
- 7 executive posts and 36 other senior management posts were within the scope of the review and following the review the revised structure comprised 4 and 7 posts respectively;
- Implementation was undertaken in 2 phases to offer operational stability;
- Outcomes included; savings delivery of £380k per year split across HRA and General Fund; the removal of silo working by removing Directorates, aligned functional teams, aligned the organisation to deliver its corporate plan and increased trust, cooperation and accountability within teams.

Members reported that they were supportive of the new structure which it was considered were more dynamic, and that there was more engagement by the senior management team with members.

Members further reported that it felt like it had succeeded as a review, and that it had been good for members to be included in the process and that the review had been done in appropriate stages. It was reported that the interim appointment had been the right combination and had worked really well. However, it would still be important to ensure that no bunkers emerged over time. The structure was now right and it appeared the right people were in the right roles and it would be important to keep the lines open. It would be important to keep the ethos going as new staff were brought in. If the council could do that it was reported that this whole exercise would have been very worthwhile and would continue to keep the council going in the right direction.

The Executive Director, Organisation explained how the co-location of the leadership team, on the 8<sup>th</sup> floor, supported new staff in their early days and helped support the cohesiveness of the team.

The Chief Executive reported that the pace at which local government was moving meant that there was continuous challenge which brought out new skills in the senior management team. It was also reported that the role of internal audit continued to evolve to support the organisation better.

The Committee discussed:

- The culture of the organisation
- Risks associated with reduced senior management capacity

- The stability of staff following the restructure and succession planning
- The vision for the senior management structure and the extent that it had been delivered and was working as hoped
- The benefit of bringing electoral accountability into the Chief Executive's remit

The Committee thanked and congratulated the Chief Executive and the Executive Director, Organisation for their report and presentation and for delivering the organisational review.

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Chair

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