

Monday 5 July 2010
at 6.00pm



Scrutiny Committee

MEMBERSHIP:-

Councillor MARSDEN (Chairman) Councillor SZANTO (Deputy Chairman), Councillors BELSEY, PURCHESE, THOMPSON and Miss WOODALL.

(An apology for absence was reported from Councillor Pooley).

1 Minutes.

The minutes of the meeting held on 12 April 2010 were submitted and approved and the Chairman was authorised to sign them as a correct record.

2 Declarations of Interest.

None were received.

3 Finance Matters – Budget 2009/10, Provisional Outturn and Annual Accounts 2009/10.

The committee considered two reports of the Chief Finance Officer regarding the provisional outturn for the year ended 31 March 2010 which advised that the Council had delivered its General Fund services for 2009/10 within budget and had exceeded its minimum level of general reserve at the financial year end as well as having a strategic change fund available to support future improvements. The services for the Council's housing stock reflected that the Housing Revenue account (HRA) had been delivered near to budget. The balance on the HRA would provide the opportunity for further investment in the service as well as provide for contingency. The Capital programme had delivered an investment of over £20m for the Borough during 2009/10.

The second report advised that the 2009/10 accounts had now been finalised and resulted in a credit movement in the final outturn of £107,000 since the provisional outturn was reported to the Cabinet on 26th May 2010. The final outturn for 2009/10 was therefore a total service under spend of £233,000 and one off adjustment credits of £175,000.

The total movement on the general fund balance was £1,822,000 which represented the general fund underspend and an amalgamation of other earmarked reserves. The resultant balance on the general fund as at 31 March 2010 was £4.539m

The committee noted that there was a requirement to approve the Statement of Accounts 2009/10 by 30 June 2010. This responsibility had

been delegated to and carried out by the Audit Committee.
<http://www.eastbourne.gov.uk/council/meetings/cabinet>

The committee observed an issue regarding the income targets in Tourism and Leisure and the need for a modified service and financial planning process for future years due to the challenges ahead.

NOTED.

4 New Executive Arrangements.

The committee considered the report of the Local Democracy Manager regarding the continuation of the process for the Council to adopt revised "executive arrangements" in line with recently introduced legal obligations. This process began with an introductory report to full Council on 24 February 2010. There were 2 options to choose from. Either a Leader elected by the Council or a directly elected Mayor. Both would carry out all the Council's "executive functions" assisted by a number of councillors appointed by the Leader/Mayor to a Cabinet.

Members noted that a three stage decision making process needed to be followed. This, the second stage, was about receiving the results of the public consultation and choosing one of the options. The final stage would be to formally adopt the new executive arrangements; via a Council resolution to be passed no later than 31 December 2010. Changes would be effective immediately after the May 2011 Borough Council elections.

The committee were invited to make comment on the public consultation and asked that Cabinet take into account of all comments made and submit recommendations to the full Council on the preferred option. A summary of the comments received during the public consultation was tabled during the meeting.

Members raised concerns about the lack of response to the consultation and were advised that the consultation arrangements were reasonable and proportionate for a matter of this nature.

The committee noted the new Government's comments concerning a possible return to a committee structure and asked that, as another option, Cabinet gave consideration at some point, to a return to that system, on the basis that it gave greater emphasis to democratic debate.

NOTED.

5 Managing Performance – Corporate Improvement Progress.

The committee considered the report of the Deputy Chief Executive and Head of Strategy and Democracy arising from the comments made in the 2008/09 comprehensive area assessment in respect of the Council's strategic planning and performance management arrangements; the report advised the committee on the measures taken since October 2009 to the present aimed at improving the Council's performance management regime

in 2009/10, implementing further improvements for 2010/11 and putting in place ongoing sustainable improvements for 2011/12 and beyond.

Members noted that in 2009, the Council was subject to Comprehensive Area Assessment (CAA) for the first time. The assessment process considered the performance of the Council during 2008/09 and was in two parts, namely 'Use of Resources' and 'Managing Performance'. Although the Council scored a rating of 2 out of 4 for Use of Resources, the subsequent rating of 1 out of 4 for Managing Performance brought the Council's overall score down to 1 which was considered "Poor". The overall organisational assessment of the Council on its 2008/09 performance indicated that, whilst delivery of many of the Council's front line services was good, there was a need for significant improvement in the effectiveness of the Council's strategic planning, performance management, and associated community engagement activity.

The Council therefore moved to quickly to identify the key areas of weakness that needed addressing. The eight key areas were detailed within the report

Following the assessment, the Council had embarked on a substantial programme of change in order to address weaknesses in managing performance. This programme had been undertaken principally to improve the Council's prospects for re-assessment of the 2009-10 year, although it was now known that CAA had been ceased (see paragraph 10 of the report). However, an equally key ambition set out in the recently approved 2010/11 corporate plan within the priority theme of "Sustainable Performance" was for Eastbourne Borough Council to become a high performing local authority evidenced by sustained improvement against any regulatory frameworks and inspection regimes in the future. On this basis, the investment (see paragraph 13 of the report) made to date had been fully justified as necessary to make the Council a more effective organisation.

Members noted that a task group had been set up with input from both parties; Councillor Mrs Howlett and Purchase were in attendance, stating that the group had been informative and highlighted their support for the offer of assistance from GOSE (see paragraph 11 of the report). Members were advised that a presentation of the new Covalent Performance Management system would be taking place on Tuesday 20 July 2010 to which all members of the committee were invited. Members discussed the eight recommendations to Cabinet, highlighting recommendation 4 and the role of Scrutiny in the consultation exercise. In addition, Members highlighted recommendation 7 and their concerns relating associated costs, namely £32,000; and value of advice and assistance from the Audit Commission bearing in mind the uncertainty of their ongoing role. The committee felt that the offer did not represent value for money and asked that Cabinet seriously consider not proceeding with the proposal.

The committee referred to the offer of a 'critical friend' from GOSE stating that this was the preferred method of gaining independent commentary on Eastbourne's progress aimed at helping the Council recognise their achievements so far.

NOTED.

6 Scrutiny Annual Monitoring Report 2009/10.

The committee considered the report of the Scrutiny Co-ordinator regarding the activities of the Scrutiny Committee during 2009-2010. The Chairman gave a brief overview of the report which detailed the Scrutiny seminars, monthly meeting topics and the reviews conducted during 2009/10. The report also outlined changes to the Scrutiny process including the introduction of regular updates Devolved Budgets and Neighbourhood Panels – Ward Councillors would be invited to committee meetings to provide regular updates to the committee, the introduction of a Budget Workshop each year to enable earlier input by Scrutiny into the Budget process and a Scrutiny Road Show – which would be held twice a year in the Arndale Centre.

NOTED.

***7 Annual Scrutiny Programme 2010/11.**

The Committee considered the Annual Scrutiny programme for 2010/11. members noted that the three Scrutiny reviews for this year had not been included in the programme.

Members approved the attached draft Annual Scrutiny Programme. The final programme was due to be approved by Council on 21 July 2010.

RESOLVED: That the draft Annual Programme of routine work be agreed.

The meeting finished at 7.27pm.

**Councillor Marsden
Chairman**