

# ANNUAL REPORT

## OVERVIEW AND SCRUTINY

2015/16

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## **Chairs and Vice Chairs of Scrutiny Committees 2015/16**

### **Audit and Corporate Governance**

Chair - Councillor Derrick Skinner  
Vice Chair - Councillor Christine Smith

### **Communities**

Chair - Councillor T Reader  
Vice Chair - Councillor J Hill

### **Growth**

Chair - Councillor J Windle  
Vice Chair - Councillor W Lilleyman

### **Organisation**

Chair - Councillor B Wright  
Vice Chair - Councillor T Mansbridge

## **1. A Summary of the Work Undertaken during 2015/16**

- 1.1 Each of the committees has completed its work programme with the time available shared between Scrutiny review work, consideration of key strategies and policies of the Council and performance monitoring.
- 1.2 The committees have also been monitoring the delivery of action plans from previous scrutiny reviews for Anti Social Behaviour and Young People, Mental Health Services and Working with Parish and Town Councils. Progress against two of the action plans has been satisfactory and they have been signed off. The third one is progressing well and will be signed off later this year.

## **2. Current Scrutiny Reviews**

- 2.1 Five Scrutiny Reviews were undertaken this year and a number of recommendations were made for improvement. These will be considered by Cabinet on 8<sup>th</sup> June 2016. If the recommendations are accepted they will be translated into action plans for delivery. Full copies of the reports and all previous reports can be viewed on the Council's intranet or in the Scrutiny Room.

### **2.2 Administrative Arrangements and Joint Officers**

Following the formation of a Strategic Alliance a number of joint officers and posts covered by administrative arrangements had been created. The Organisation Scrutiny Committee thought it timely to review this area to consider how the new arrangements were working. A number of documents and evidence were considered by the Committee to help inform the review.

The Committee concluded that there was a great deal of effort being made by employees working under these arrangements and other staff supporting these employees to make them work. The Committee understood the rationale for the decision to commence these arrangements but felt it was important that the Council needed to ensure that the impacts and risks were being proactively managed. The changing environment the Council and Local Government in general were working in was also acknowledged.

Nine recommendations for improvement were made focused around how the Council monitors these arrangements, consultation and communication, improving sickness levels, and managing an ageing workforce.

### **2.3 Environmental Despoilment**

The Communities Scrutiny Committee agreed to consider the arrangements undertaken by Street Scene and Environmental Health to achieve good standards of environmental cleanliness throughout the District.

A wide range of stakeholders were interviewed including the Portfolio Holder for Environment, the Portfolio Holder for Community Safety and Health, the

Assistant Director of Planning and Environment, the Assistant Director of Street Scene, Rykneld Homes, a focus group with Environmental Wardens and Technical Officers, the Principal Solicitor, the Environmental Enforcement Officer and the Grounds Maintenance and Cleansing Manager.

The Committee concluded that the service was working well and there were many examples of the efforts been made by the staff involved to reduce or prevent environmental despoilment within the District.

Recommendations for improvement were made centred around increased publicity and education, improving the liaison between the teams and maximising prosecutions where possible.

#### 2.4 Performance Related Pay

Following a request from the Executive Director of Transformation, the Organisation Scrutiny Committee agreed to consider reviewing the options for introducing Performance Related Pay in the future within the Authority. The Council's Transformation Programme was seeking ways to innovate and transform the way of working to underpin both the delivery of the Strategic Alliance and the re-shaping of services within each Council to deliver priorities. Considering the way in which the Council could reward its workforce was part of this process.

The Committee thought it timely to review this area as the transformation of the organisation was a key objective of the Council. The review considered what Performance Related Pay is and the most common types. It also looked at the advantages, disadvantages and risks of introducing a scheme.

The Committee, from the evidence it considered, concluded that implementing a Performance Related Pay scheme was not an easy process and the Council would need to be sure the benefits it could potentially bring would deliver the outcome it intended. Before any decision was taken the Committee felt that a great deal of additional work would need to be undertaken to formulate a possible scheme that would be appropriate for the Authority.

One recommendation was made requesting that if the Council decide to consider the introduction of a Performance Related Pay Scheme in the future, either internally or by using the services of a consultant, the Organisation Scrutiny Committee would welcome input into the terms of reference for any further review.

#### 2.5 Safeguarding Arrangements

The Communities Scrutiny Committee agreed to review this area following a request received from the Standards Committee for Scrutiny to consider the report into Child Sexual Exploitation in Rotherham. Scrutiny had undertaken a review into Safeguarding within the Authority in 2012. However, given the serious nature of the events in Rotherham, the Committee felt they wished to look at some of the key areas raised in the Jay report and the subsequent

Louise Casey review to ensure that the arrangements within North East Derbyshire were still robust.

Evidence was gathered in a variety of ways including written sources and interviews with a range of stakeholders. This included the Portfolio Holder for Community Safety and Health, Rykneld Homes, the Executive Director of Transformation, the Assistant Director of Community Safety, the Community Safety Manager, the Assistant Director of Street Scene, the Assistant Director of Leisure, the Housing Strategy and Enabling Manager, the Governance Manager and the Assistant Director of Governance and Monitoring Officer.

One of the areas raised at Rotherham was the failure of challenge within the organisation at all levels including councillors and from the Scrutiny service. The Committee examined this issue but felt that this was not the situation at this Council. Supporting evidence was provided from interviewees that they consider the Council has an open culture which would help to ensure that any issues arising would be challenged. It was understood that the Council was not the key provider of safeguarding but the Committee was clear that everyone had a role to play. This was an area where no-one could be complacent and it was very important to keep this issue high on the agenda. The Committee also want to ensure that it was made explicitly clear with regard to the separation between the roles of safeguarding children and child protection. They would like to see two separate policies for Safeguarding and Child Protection. The Committee also felt that Rykneld Homes demonstrated a good approach to safeguarding and their front line staffs were very alert to this issue

Recommendations for improvement were made mainly focused on raising awareness and keeping the subject high on the agenda, the role of licensing, use of cameras to detect suspicious incidents, training, intelligence sharing, and alertness to situations where child sexual exploitation may be taking place.

## 2.6 Vacant Land

This issue was identified for review as the Growth Committee thought it important for Scrutiny to play its part in supporting the Council's Growth Agenda and ensuring the Council is best placed to maximize the benefits of its land assets.

Interviews were held with a range of stakeholders including the Portfolio Holder with responsibility for Information Technology, e-Information and Asset Management, the Chief Executive, Rykneld Homes and officers working within Property and Estates, Economic Growth, Planning and Housing.

The Committee concluded on the whole the Authority had taken a number of steps to make the process of how the Council manages its assets more transparent and joined up.

Ten recommendations for improvement were made mainly focused around completion of the Councils asset management database, timeframe for delivery of the local plan, performance monitoring arrangements, garage sites and ensuring wide participation across the authority in asset management.

### **3. Scrutiny Committees**

#### **3.1 Audit and Corporate Governance**

During the year the Committee met on five occasions. It considered a number of key governance and financial documents of the Council which included the Medium Term Financial Plan, Budget Monitoring, Annual Governance Statement and the Statement of Accounts. It reviewed and contributed to the development of the Council's revised policies in respect of Risk and partnership working together with the Anti Fraud Strategy.

It is the body to which both the Council's external and internal auditors report. Key reports from Internal Audit included the Annual Report of the Internal Audit Consortium 2014/15, Summary of Progress on the Annual Internal Audit Plan 2014/15, the Annual Review of Adequacy of Internal Audit and various internal Audit reports on individual services. The key reports from External Audit included the report prepared around the audit of the Council's Accounts ISA260, together with the Annual Audit Letter.

In its key role of overseeing the financial governance arrangements of the Council the Committee:-

- Considered and approved the annual Statement of Accounts;
- Reviewed and commented on both the budget proposals that ultimately went to Council, and considered progress in operating within the constraints of those budgets – including achieving agreed savings targets;
- Considered the Council's systems of internal control and in particular any issues arising from the reports of Internal Audit;
- Kept under review performance against the Council's Performance Management Framework.

Other reports considered by the Committee were the Asset Management Strategy and Plan 2015- 2018: Non Housing Property and Land, the draft framework for Good Governance in Local Government, Corporate Debt recovery and the review of the Anti Fraud Policy.

The Committee also undertook a detailed self assessment of its operation, to consider its effectiveness and to recommend any actions to improve its operation where necessary. The Committee recognised that the effectiveness of an Audit Committee was crucial to secure proper operation of the governance arrangements within any local authority. The evaluation was

guided by a set of criteria agreed by the Chartered Institute of Public Finance and Accountancy and the Society of Local Authority Chief Executives and a series of questions set out in the publication 'Delivering Good Governance in Local Government (2012)'. The evaluation found that the Committee was compliant in the majority of responses. The only area where the Committee identified that its arrangements were in need of improvement was the training and induction procedures for the Committee Members.

### 3.2 Communities

During the year the Committee met on eight occasions. It considered an update on the progress of the Joint Environmental Health Service. A joint structure had been put in place two years ago and the Environmental Health Manager reported on the difficult transition period in bringing two separate services from both authorities to work as one. However, the service was now working well and performance was considered good. It had been a huge benefit for the team to be located in one location and this had helped with harmonising procedures.

The Committee had considered the Choice Based Lettings Annual Report and Statistics which detailed how the Councils Arms Length Management Organisation, Rykneld Homes, allocated the Council's housing stock. Included in the statistics considered for 2013/14 and 2014/15 were details of Discretionary Housing Payments, waiting lists, bidding, allocations and lettings.

The Committee also discussed equalities within the organisation with the Improvement Officer. He advised the Committee of the responsibilities the Council had under the Equality Act 2010 and the current position regarding the Councils Single Equality Scheme which was due to be renewed under a new scheme for 2016 – 2019. He outlined the profile of North East Derbyshire and commented on the areas ageing population and the higher than average rate of limiting long term illness.

The Committee was consulted on a new Joint Environmental Health Enforcement Policy. The Policy detailed the enforcement principles used by the Council in determining what enforcement action would be taken. This was of interest to the Committee as it linked to their current review on Environmental Despoilment.

The refresh of the Health and Well Being Strategy was reviewed including the new partnership arrangements. The aims and objectives of the Healthy North East Derbyshire Partnership were to improve the health and well being of people living in the District. This would be achieved by identifying, implementing and commissioning the impact of locality, specific interventions which addressed priority health need in the District.

The Committee is statutorily required to review the Councils Community Safety Partnership under the Police and Crime Act. The Community Safety Partnership Manager outlined for the Committee progress on deliver of the

Community Partnership Plan. The overall crime rate in the District had decreased by 4% compared to the previous year. Domestic burglary had reduced by a quarter compared to a tenth for the county. Shoplifting makes up one tenth of Acquisitive Crime compared to one fifth overall. Under-reporting of domestic Violence is an issue, but the rate of sexual offences per 1000 population remains lower than the county. Vehicle Crime has increased but Anti Social Behaviour and Criminal Damage has decreased and is lower than the county. The manager outlined the various initiatives being undertaken during the year to try and address the areas that had increased.

### 3.3 Growth

During the year the Committee met on seven occasions. It continued to monitor the delivery of the Economic Development and Housing Strategy. The Economic Development and Growth Manager updated the Committee on proposals to support export work within North East Derbyshire by holding a Local network surgery twice a year to provide an opportunity for experts in the export trade to meet, network and discuss possible grants available. Work was also commencing with Universities on achieving a degree through an apprenticeship scheme. Each apprentice would require a sponsoring employer that would help prevent high student debt. The scheme was due to begin in September 2016.

The Chief Executive provided a detailed presentation which updated the Committee on developments and progress of the Growth Agenda, the Local Enterprise Partnerships, Combined Authorities and Devolution. He set out how the Council would deliver the Growth Strategy and provided details of the positive growth that had taken place in North East Derbyshire and Bolsover with an extra 4,100 jobs expected by 2030. He also outlined a number of key development sites within the District and discussed what funding opportunities were available to support the Councils strategic objectives. Consideration was also given to the latest developments on Devolution with the Council agreeing to become a constituent member of the North Midlands Combined Authority.

The Committee reviewed the work of the Partnership Team which is responsible for engaging with NEDDC services and public, private and voluntary-community sector partners to develop and embed initiatives which reflect national, regional and local policy, customer/partner service demands and opportunities to improve local services. The Strategic Partnership Co-Ordinator provided evidence for the Committee on the work the team had undertaken during the year to support locality working, oversee the NEDDC Financial Inclusion Framework, co-ordinate voluntary-community sector grant funding and the Healthy North East Derbyshire Approach. In addition the Committee considered the delivery of the BNED Leader Approach for 2014-2020, the Business Growth Fund and activity under the Shaping the Future initiative.

Progress on the Local Plan was also monitored. The Planning Policy Manager advised the Committee on the Public Consultation exercises that

had taken place in February and March 2015 and the key issues of concern surrounding the Local Plan including the need for a Green Belt review, maintaining a five year housing supply, the number of affordable homes needed and the plan timetable.

An update was also provided by the Assistant Director of Planning and Environment on Development Management Performance for 2015/16, fee income and support of key projects such as the Avenue redevelopment, Coalite, Markam Vale and St Modwen. He also reported on the ongoing transformation and development that was taking place in the service which included a move to self service, IT upgrade, scanning of data and up skilling of technicians and administrators.

### Organisation

During the year the Committee met on seven occasions. It continued to monitor progress against the Transformation Programme within the Authority. The Executive Director of Transformation updated the Committee on the key projects under this agenda. The Assistant Director of Customer Services also attended a meeting to discuss the achievements in both the Contact Centres and the Improvement Team.

Additionally an update on business development projects taking place in the Council was considered. Projects that were underway included the CIS system in the Contact Centres, a Waste management system that Bolsover share with North East Derbyshire and the implementation of a new Committee Management System. The Business Development Manager also gave a demonstration of the SELF system which allowed the public to report problems on line through the website.

The Revenue Strategy had identified the policy, process and procedural changes which were necessary in order to support efforts to bring more revenue into the two Councils. The Committee looked at a wide range of measures which had been identified to support this initiative including the introduction of a consistent corporate approach to annual fee/charge revenues, the establishment of clear advertising/sponsorship deals and the introduction of an Invest to Earn Fund. Progress on the action plan had been good and details of the achievements to date were considered.

Following a referral from the Growth Scrutiny Committee, how the Council communicated with the media was discussed. Two recommendations for improvement were made on how staff could be briefed on dealing with the Media and that the issue of Media relations/communications should be included as a regular item on the Strategic Alliance Management Team.

The Committee considered the Council's Whistle Blowing Policy in support of the Standards Committee review in March 2016. The Committee commented that they wished to see mechanisms in place for people to report issues through the Whistle Blowing Policy and that the HR procedures in place to support this were easily understandable.

The Committee also considered two topics from the Assistant Director of Human Resources and Payroll on the Investors in People accreditation and new framework and a discussion on the Strategic Alliance People Strategy and action plan. The Human Resources and Payroll Operations Manager also provided an overview of the role of Human Resources within the organisation.

#### **3.4 Joint Scrutiny Panel (Shared Services)**

The Joint Scrutiny Panel was established between North East Derbyshire, Bolsover and Chesterfield Councils to monitor the delivery of Shared Services between the three Authorities. However, recent arrangements for the provision of the three main services of Building Control, Internal Audit and Shared Procurement had either changed or new ways of delivery were being explored. The Committee had therefore reconsidered its role and had agreed in the interim to meet as and when required rather than quarterly.

During the year the Committee had met on two occasions at which it considered the Internal Audit Consortium's 2016/17 Business Plan, the review of the Internal Audit Structure and the review of the Derbyshire Wide Building Control Consortium.

#### **4. The Year Ahead 2016/17**

After the appointment of members to the Scrutiny Committees at Council on 9<sup>th</sup> May, 2016, work programmes for 2016/17 will be discussed and developed. Suggestions for review topics will be invited from a range of stakeholders. These will be discussed at the first scrutiny meetings of the new municipal year to prioritise which subjects should be reviewed.