

DRAFT

AT A MEETING

- of the -

RESOURCES AND

PERFORMANCE SCRUTINY AND

PERFORMANCE PANEL held at the

Council House, Walsall on 3

February 2005 at 6.00pm

PRESENT

Councillor Sanders	(Chair)
Councillor Sarohi	(Vice Chair)
Councillor Anson	
Councillor Bielby	
Councillor Griffiths	
Councillor Micklewright	
Councillor Underhill	
Councillor Bentley	
Councillor O'Hare	
Councillor Hughes	

1. APOLOGIES

Apologies for absence were received from Councillor Turner.

2. SUBSTITUTIONS

For the duration of the meeting only
delete Councillor D Shires
add Councillor Bentley

3. DECLARATIONS OF INTEREST AND PARTY WHIP

There were no declarations of interest.

4. MINUTES OF THE MEETING HELD ON 16 DECEMBER 2004

Resolved

That the minutes of the meeting, as amended, held on 16 December be confirmed as an accurate record and be signed by the Chairman.

5. NOTES ON BEST VALUE WORKING GROUP HELD ON 12 JANUARY 2005

Councillor Anson updated the panel on the meeting of the last Working Group. The working group had considered winding up but wished to continue for the time being.

The panel considered the recommendations made by the Working Group.

Resolved

That the working group does not seek detailed comparison with other councils regarding cross cutting reviews.

It is further resolved that the cabinet should:

1. Reassess the current best value review programme and confirm those areas that remain critical to the improvement plan of the council.
2. Revise the corporate criteria for deciding on best value reviews before the publication of the next best value performance plan
3. Evaluate the crime & disorder best value cross cutting review to extract any learning for Walsall MBC.

6. PERFORMANCE BOARD EDUCATION

Councillor Saunders welcomed Councillor Hughes, portfolio holder for Children's Services to the meeting. He also welcomed David McNulty, Executive Director for Education and Elaine Simpson, Managing Director of Education Walsall.

Councillor Saunders explained that Councillor Hughes was there to explain how education performance is managed. This panel's role was not to scrutinise education performance (as that is done in many ways) but to satisfy themselves that the performance management arrangements in place were robust enough to determine and improve performance in the education service.

The focus of the panel in respect of this particular scrutiny activity should be on performance management arrangements not specific performance outcomes of individual performance indicators and results.

Councillor Hughes thanked the panel for the opportunity to discuss education performance. He highlighted that there were many external features that affected the performance of children, not simply what happened in schools. He made it clear that education at Walsall was under intense scrutiny from Ofsted and Walsall Education Board amongst others to help ensure that outcomes were as good as possible. Ofsted was a very rigorous process and a recent report had highlighted significant progress and had awarded an improved star rating in recognition of significant improvements.

Councillor Sanders asked whether it was an advantage to have SERCO as a partner. Councillor Hughes replied that there were advantages because of the distance between the policy setting direction by the cabinet and the delivery by Education Walsall. It was stressed that there was a genuine partnership with Education Walsall and that relationships were positive. There was an appropriate combination of a determination to improve outcomes for every child and a focus on proper business outcomes.

In terms of performance management, Ofsted had identified that the arrangements were effective and robust and the partnership was effective. Monitoring arrangements were in place and Councillor Hughes received a monthly report. Weekly reports were considered by David McNulty and Elaine Simpson and ways of improving performance were constantly under consideration.

David McNulty said that the achievements outlined in the Ofsted report were remarkable. However, further improvements were required and Education officers from outside the borough would be coming in to provide additional challenge and further test the arrangements that had been put in place.

In reply to a question about performance compared with other councils, Walsall was on the edge of being excellent based on a variety of indicators. It was stressed that members had to consider all performance measures not simply headline results and league tables to get a balanced view and that Walsall had a very positive story to tell.

In reply to questions about managing absence, Councillor Hughes emphasised the responsibilities of the wider community, especially parents. However, Education Walsall was already trying a range of initiatives and genuine improvements were being made and this was recognised by Ofsted. The work of Education Welfare Officers was recognised as being crucial and so was work with other partners. Indeed, councils from other parts of the country were coming to Walsall to find out how they would learn from the initiatives in Walsall.

Panel members asked several questions relating to results at KS2 and KS3. David McNulty confirmed that there were issues with science results at KS3 that was receiving national attention and that it was not known why results were falling in this area, though it might be linked to shortages of teachers in key subjects. Education Walsall was also working to improve the recruitment and retention of key staff, for example, by the use of an extended graduate teacher programme to attract recent graduates to Walsall. Overall trends were improving at KS2 and, this should in turn, lead to better outcomes at KS3. It was also noted that results for boys were not improving.

In response to a question about improving results for individual children, it was stressed that the focus was on individual achievements. Pupil achievement was tracked by every school to bring the best out of every child. In addition, looked after children had personal education plans that followed them if they moved schools.

Panel members raised the question about how the strategic partnership with Fujitsu would impact on Education. Some services for schools were transferred and Elaine Simpson would be meeting with partners to ensure a smooth transfer. It was stressed that all partners of the Council could contribute to improving performance in education and Education Walsall would be inviting Fujitsu to discuss innovative ways to work together in Walsall in the future and how they could offer long term opportunities for local children in their broad role.

David McNulty stressed that there was a lot of good news in education, for example in relation to sports in schools and one of the finest music services in the Country.

Following further questions, Councillor Sanders thanked Councillor Hughes and his colleagues for attending the meeting. The panel welcomed the improvements that had been made and were satisfied overall that the performance management arrangements in relation to education were satisfactory, as evidenced by the improvements already achieved, and looked forward to hearing of further improvements.

7. BUDGET CONSULTATION

7.a Draft Corporate Revenue Budget 2005/6 to 2009/10

Andy Burns presented details of the above that included:

(see annexed)

DRAFT REVENUE BUDGET 2005/6 +

- **2004/5 BASIC FORECAST = £321.313million**
- PLUS : Budget refresh (Inflation, pay awards, etc.) £21.116m
- Plus Financial Prudence £1.435m
- **TOTAL BASIC FORECAST 2005/6 = £343.864million**
(Includes £0.375m of unsupported borrowing to finance £9m capital schemes through Prudential Code)
- LESS : targeted use of balances (£1.489m)
- **SUB TOTAL = £342.375million**
- PLUS : Other investment of £6.596m (incl. full year impact of 2004/5 approved bids of £2.624m)
- LESS : Savings if £6.489m
- **TOTAL DRAFT BUDGET = £342.482million**
- **DRAFT COUNCIL TAX INCREASE OF 3.94%**

Provisions had been made for all known financial pressures of the council including for example the annual pay award and an expected rise in employer pension contributions.

Members raised a number of questions relating to the budget. The financial effect of the Putting the Citizen First Partnership was queried and it was explained that for 2005/6, a cost neutral impact had been assumed based on current analysis.

The level of balances was queried and it was explained that the council was working towards opening balances of £5 million and that the council was on target to achieve this. This amount was based on a risk assessment of the various financial pressures faced. The amount of recommended opening

balances would therefore vary according to the risks faced by the council, for example, rates of inflation.

The level of income was also queried and it was explained that most income identified within the budget had been confirmed, the final settlement had been received and its impact was being assessed. The income of the council was made up from council tax, approximately 24% of the total, the revenue support grant settlement from the government, grant funding and other income. Council Tax collection of 99% had been assumed in the budget. The government was consulting on revenue and capital settlement for three years that should make planning for financial stability easier.

Funding for Local Neighbourhood Partnerships was queried and the current position was explained. There was no provision for funding in 2005/2006 but an allocation of £250,000 from the 2004/5 budget was to be carried forward and this was to support the action plans being developed locally. The distribution of this funding was to be decided at a later date.

The level of expenditure per ward was queried. It was explained that the council did not collect data relating to ward expenditure and did not plan to do so in the future. The budget forecasts were based on income and expenditure across the whole of the borough.

7.b. Draft Capital Programme 2005/6 – 2006/7

Andy Burns provided details of the above that included:

(see annexed)

DRAFT CAPITAL PROGRAMME 2005/6 +

Principles

- Produced within capital strategy framework which supports Council vision
- Capital proposal forms are submitted and scored using objective methodology
- Capital programme must be balanced
- For the first time, a reserve list had been prepared

Draft Capital Programme totals £92m

- Mainstream - £39.8m
- Grant funded - £52.2m

Plus Leasing - £11.5m

Revenue implications of above included in budget

7.c Detailed Service Estimate

Andy Burns presented details of the above that included :

(see annexed)

Finance, Law and Performance 2005/06 Base Budget Position

	£m	% of 04/05
Base Budget 2004/05	15.042	
Inflation	0.352	2.3
Pay Award	0.417	2.8
Other	0.450	3.0
Initial growth	0.763	5.1
Basic Forecast 2005/06	17.024	
Growth 2005/06	0.550	3.6
Savings 2005/06	(0.684)	(4.5)
Net Budget 2005/06	16.891	

Summary

- The next 3 years sees
 - investment in Revenue of £2.933m
 - investment in Capital of £6.74m
- Supports
 - the delivery of KPI's
 - on going modernisation programme
 - councils path to excellence

The position of the Anti Poverty service was queried. Provision had been made for the mainstream funding of seven permanent staff for this and future years. It was expected that the unit would be able to draw down additional grant funding and the supporting people fund had made a provisional allocation though this would be subject to contract negotiations. It was noted that this was in line with the recommendation of the Resources Decision Conference.

It was noted that the many of the recommendations of the Resources Scrutiny and Performance Panel that had been put forward to Cabinet following decision conferencing had been taken on board and this was welcomed.

Resolved that

The Resources Scrutiny and Performance Panel endorses the overall draft budget proposals of the Cabinet as presented.

8. Forward Plan

Resolved

1. That the Forward Plan be noted
2. That the Forward Plan be looked at in more detail at the next meeting.

9. Briefing note to Scrutiny Resources Panel on Consultation on the Framework for Inspection of Children's Services

Resolved

That the report be noted

PRIVATE SESSION

10. Minutes of private session of the Resources Scrutiny and Performance Panel held on 16 December 2004

(Exempt information under paragraphs 8 & 9 of Part 1 of schedule 12A of the Local Government Act 1972)

Resolved

That the minutes be confirmed as a correct record and be signed by the Chairman.

TERMINATION OF MEETING

The meeting terminated at 8.27pm

Chairman

Date