

WYRE FOREST DISTRICT COUNCIL

COUNCIL

30TH SEPTEMBER 2009

Corporate Governance

OPEN	
SUSTAINABLE COMMUNITY STRATEGY THEME:	Not Applicable
CORPORATE PLAN THEME:	Providing Community Leadership
CABINET MEMBER:	Councillor J-P Campion
RESPONSIBLE OFFICER:	Director of Legal and Corporate Services
CONTACT OFFICER:	Caroline Newlands Email: caroline.newlands@wyreforestdc.gov.uk Ext. 2738
APPENDICES:	Appendix A – Terms of Reference Corporate Performance Clinic Appendix B – Revised Terms of Reference Budget Review Panel Appendix C – Revised Terms of Reference Centralised Office and Transformation Change Board Appendix D – Revised Political Balance

1. PURPOSE OF REPORT

- 1.1 To consider changes to the Constitution of Wyre Forest District Council.

2. RECOMMENDATION

The Council is asked to DECIDE:

- 2.1 **The proposed changes to the Council’s constitution as set out in this report be adopted.**
- 2.2 **The necessary amendments be made to the Council’s Constitution.**
- 2.3 **To change the allowance for the Vice-Chairman of the Council in line with Band 7.**
- 2.4 **To agree the revised political balance sheet.**

3. BACKGROUND

- 3.1. Changes to the constitution is a matter reserved for Council.

4. KEY ISSUES

4.1. Ethics and Standards Committee

- 4.1.1. Since the Annual Council meeting on 20th May 2009, when the Council last agreed changes to the constitution, the following changes need to be updated:
- 4.1.2. The number of Members on the Ethics and Standards Committee has been reduced to 16.
- 4.1.3. The purpose behind the change in the number of Members on the Committee was to comply with legislative requirements that 25% of the members of the Ethics and Standards Committee should be Independent Members.
- 4.1.4. Despite a rigorous recruitment campaign it has not been possible to attract another Independent Member to make 5 Independent Members. Therefore the Standards Board for England suggested that the Council reduced the membership of the committee.
- 4.1.5. The Labour Group had indicated that they wished to withdraw one Member from this Committee and after being approached were content to drop one seat from the Committee.

4.2. Corporate Performance Clinic

- 4.2.1. The Corporate Performance Clinic was established at the beginning of the Municipal Year. Terms of reference have now been prepared and these are attached at Appendix A. It is proposed that the Membership be revised to include one representative from each political party.

4.3. Budget Review Group

- 4.3.1. At its meeting on the 10th September 2009, the Corporate Resources Scrutiny Committee considered revising the terms of reference of the Budget Review Group. The revised Terms of Reference are attached at Appendix B of this report.

4.4. Centralised Office and Transformational Change Board

- 4.4.1. The former Single Site Project Board shall now be known as the *Centralised Office and Transformational Change Board*.
- 4.4.2. The Terms of Reference are attached at Appendix C.

4.5. Vice-Chairman of the Council

- 4.5.1. It is proposed that the Vice-Chairman's allowance be brought in line with Band 7 (£1,854) from the current allowance of £649. The change will bring the allowance roughly in line with the deputy mayoral allowance in Kidderminster.

4.6. Revised Political Balance

- 4.6.1. The political balance has been revised since the last meeting on 20th May 2009 to reflect Councillor Harrison becoming a Member of the Conservative Group and Councillor Miss S Meekings becoming an Independent Member.

5. FINANCIAL IMPLICATIONS

- 5.1 There are financial implications in increasing the Vice-Chairman's allowance which can be funded from existing Council reserves.

6. LEGAL AND POLICY IMPLICATIONS

- 6.1 The changes to the constitution referred to in the appendices accord with relevant legislative requirements.

7. RISK MANAGEMENT

- 7.1 There are no significant risk management issues associated with the proposed changes to the Council's Constitution.

8. CONCLUSION

- 8.1. The committee changes to the constitution are considered to be acceptable and in line with legislative requirements.

9. CONSULTEES

- 9.1. CMT
9.2. Leader of the Council

10. BACKGROUND PAPERS

- 10.1. Corporate Governance Report to Council 20th May 2009

CORPORATE PERFORMANCE CLINIC

TERMS OF REFERENCE

<p>Purpose</p>	<ul style="list-style-type: none"> • Challenge, assess and remedy poor performance through resulting Action/Improvement Plans, more frequent updates, shift in resources where appropriate and additional support • Ensure performance data is being collected and used effectively to improve the day to day operation and efficiency of services • Enhance the role of managers in driving improvement and the management of key performance indicators and targets • Reinforce ownership of performance and accountability of managers and officers in achieving continuous improvement • Compare performance with other authorities and where higher performance is identified to investigate why, and then make improvement to the service based upon what is judged relevant and appropriate • Provide a proactive vehicle for driving improvement and sharing of best practice and learning • Provide a forum that formally recognises good and improving performance • Continue to strengthen the Council’s Performance Management arrangements • Increase awareness of how the Council is performing to residents, partners, employees and Members
<p>Role</p>	<ul style="list-style-type: none"> • Monitor and analyse both the wider performance of the Council and the delivery of specific services ensuring that underperformance is addressed at an early stage • Support the development and oversee the successful implementation of Action/Improvement Plans for underperforming services • Celebrate good and improving performance and encourage the sharing and learning of best practice across all service directorates
<p>Actions</p>	<ul style="list-style-type: none"> • Identify and address underperforming services by working with the appropriate Director and Service Manager • Monitor the delivery of agreed action/improvement plans • Monitor the delivery of the approved Audit Commission Performance

	<p>Management Action Plan</p> <ul style="list-style-type: none"> • Embed the ownership of the Council's Performance Management Framework across all service Directorates • Ensure that quality data is collected and used, including satisfaction rates and survey results e.g. Place Survey for improving performance and efficiency of services • Publicise internally and externally, good and improving performance • Provide both 'Exception' and 'Highlight' reports to the Corporate Resources Committee on a quarterly basis
<p>Working Arrangements</p>	<ul style="list-style-type: none"> • Membership: <ul style="list-style-type: none"> - Leader of the Council - Leader of the Opposition - Chief Executive - Policy & Performance Officer - Appropriate Service Manager - Other Officers with specialist knowledge of the service area / collection of data may also be asked to attend • Minutes of the bi-monthly meetings and resulting Action/Improvement Plans will be tabled to Cabinet • Quarterly 'Exception' (underperformance) and 'Highlight' (performance has been reached or exceed) reports to be tabled to the Corporate Resources Scrutiny Committee • Underperformance will be defined as: <ul style="list-style-type: none"> - PIs reported as red/amber for 2 consecutive reporting periods - PIs reporting a downward trend for 2 consecutive reporting periods - Bottom quartile PIs - Corporate Plan Priority targets that have missed deadlines/milestones - Internal Audit request - service areas identified as having 'significant weaknesses' and for which recommendations have not been implemented by their agreed implementation date - Service areas identified as under-performing by external audit or by public consultation / satisfaction ratings • Meetings will be held in private but open for other Members to attend as observers
<p>Review</p>	<ul style="list-style-type: none"> • A review of the effectiveness of the Corporate Performance Clinics will be undertaken in March 2010

Budget Review Panel Terms of Reference

A Introduction and Background

1. The (then) Finance and Corporate Affairs Policy and Scrutiny Panel on 15th March 2005 agreed to establish a Budget Review Group, now called the Budget Review Panel, to scrutinise and prioritise all Council Activities with reference to the Base Budget and future Budget Strategies proposed by the Cabinet. The work of the Budget Review Panel falls within the remit of the Corporate Resources Scrutiny Committee (since May 2009).
2. The first meeting was held on 13th April 2005 and a Work Programme was agreed for 2005-2008.
3. For the budget period 2010-13 the main emphasis of the review will be as follows:
 - Implementation of the Council's Priority Model
 - Consideration of the Proposed Efficiency Strategy
 - Consideration of the Cabinet's Budget Proposals and alternative budgets.
4. The Budget Review Panel meets as required and reports directly to the Corporate Resources Scrutiny Committee.

B Composition of Panel

5. The Panel comprises six members. Non-Cabinet members may be appointed as substitutes in exceptional circumstances.
6. The Panel may be chaired by one member, or on a rota basis by any Member expressing a particular interest in a given service area. Where no such expression of interest is given, the Chairmanship shall fall to the Chairman of the Corporate Resources Scrutiny Committee.

C Purpose and Objectives:

7. Meetings of the Panel will provide a forum for discussion of key budget issues and consideration of the budget.
8. The Panel will also consider the authorities approach to efficiency policy and plans for future proposals.
9. The objective of the Panel is to examine the principles that underline the Base Budget, Service Business Plans and Budget Strategy to establish that:
 - They are measured, clear, focused, and achievable and based on sound financial and operational practices.

- The relationship between the Budget, Service Business Plans and the priorities contained within the Sustainable Community Strategy Themes, Corporate Plan Aims and other Plans/Strategies are real and designed to improve services in the Council's priority areas.
- Politically, managerially and operationally the Council is clear about the direction and priorities for action to meet our objectives, standards and priorities.

D Projected Outcomes:

10. The Panel's projected outcomes will be to have:

- Support the Cabinet in developing budget proposals
- Examined the Budget as a whole and selected Service Plans in relation to efficiency
- Held the appropriate Cabinet Members to account over their Budget and Service Plan proposals
- Assisted the above Committee in providing an opportunity for public transparency and awareness of the Budget-setting process for the community.

E Approach to Reviews

11. As one of the aims of the exercise is to hold the Cabinet to account for their proposed Budget, the Panel has agreed the following approach to reviews:

- Examine and implement the Priority Model approved as part of the Financial Strategy for 2009-2012
- Comment as appropriate on the proposed Efficiency Strategy;
 - Make recommendations in relation to public consultation building upon the work undertaken during 2009-2010 budget process.
- Comment as appropriate, on the overall Three-Year Budget Strategy
- Based on the above and any other relevant findings, to make recommendations to the Corporate Resources Scrutiny Committee in relation to the allocation of resources for services in future Budgets.

F Scope of Questions

12. The overall scope of the questions will include the following:

(i) Priority Model

- Is the Priority model realistic?
- Are there any missing factors to be considered?

- How can the model be applied to the budget setting process?

(ii) Efficiency Strategy

- Is the strategy sufficiently challenging;
- What examples has the Council of delivering efficiencies?
- Review of NI 179 for 2008/09
- Will the strategy deliver required cost reductions?

(iii) Budget Strategy

- Is the Budget based on a sustainable approach?
- What are the criteria for the allocation of capital and revenue resources available?
- Are the Cabinet's Budget-monitoring arrangements robust enough to anticipate and manage Budget pressures?
- How does the proposed Budget fit with the Council's priorities in the Corporate Plan Aims, Sustainable Community Strategy Themes and other Strategies?
- Is the approach taken to identifying 'Gershon' efficiency savings and the impact that they have on the delivery of services robust?
- Is Budget risk management robust and projected within the Finance Strategy?
- What proposals (if any) have been put forward to manage the implications of any recent legislative requirements?

G Information to be provided to the Panel

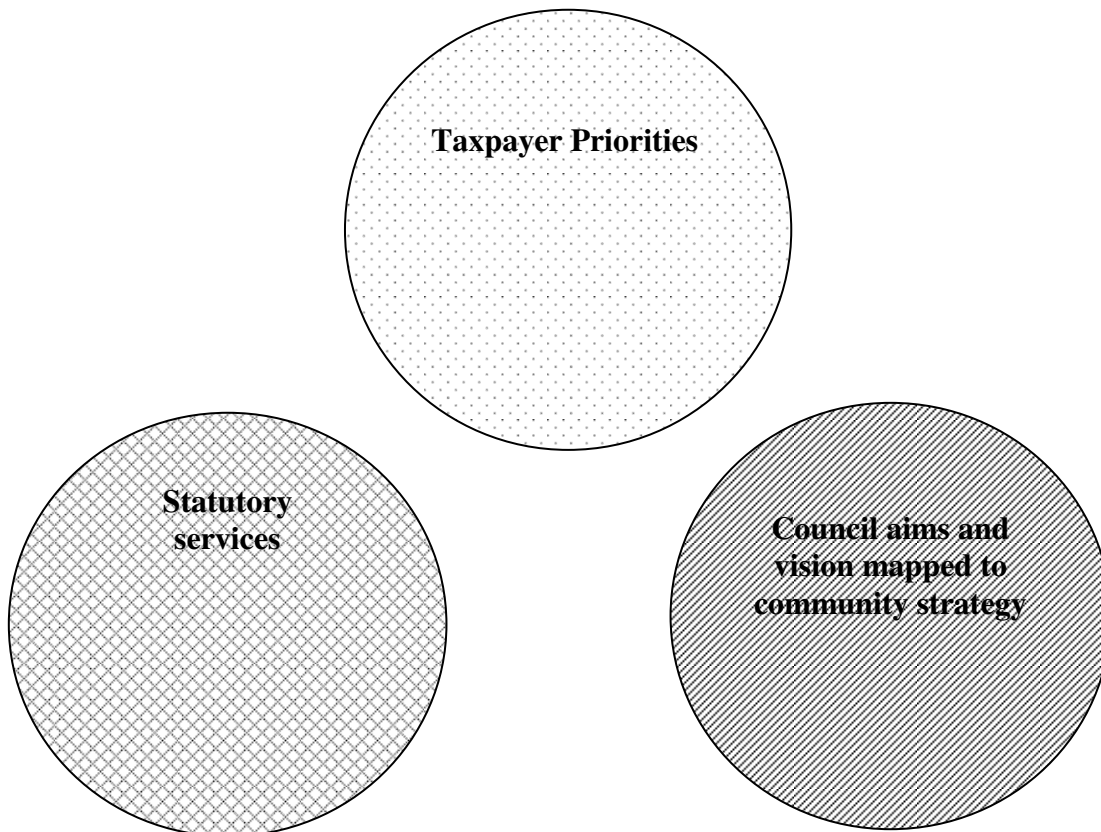
13. Each Director will be asked to provide information to allow the application of the approved Prioritisation Model, attached at **Appendix A**.
14. The Budget Review Panel will consider the draft Efficiency Strategy and comparative strategies if required
15. The Panel will receive the Cabinet's Financial Strategy which will include:
 - Three Year Budget and Policy Framework – 2010/13, including Cabinet Proposals;
 - Capital Programme 2010/11 Onwards;
 - Base Budget Variations
 - Comprehensive Spending Review Efficiency Gains – 2009/10

- Risk Management and the Budget Process
- Income Service Options

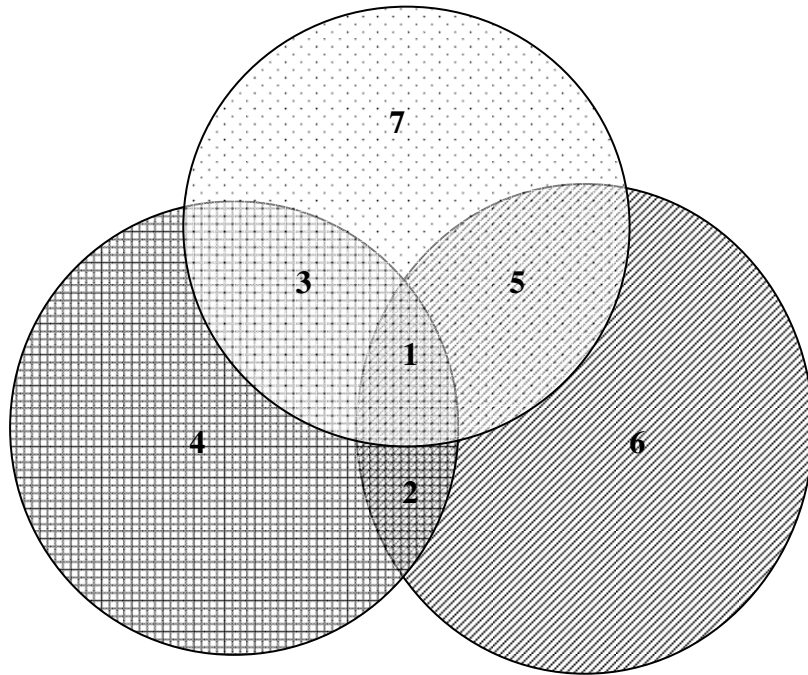
Prioritisation Model

Prioritising resources in the medium term requires an effective mechanism for evaluation. The following is a simple model of how variables can be ranked in terms of importance. The variables feeding into model are:

- ❑ The council's aims and vision contained within the corporate plan lies at the centre of the model
- ❑ Current service provision, split between statutory and discretionary.
- ❑ Tax payer priorities - areas identified in consultation as being top priority to the community



The overlapping areas indicate relative priority scores:



The scores indicate priority weightings for the Council: 1 is the highest ranking, 11 is the lowest.

Rank	Description	Priority
Statutory Services		
1	Statutory, fulfils our vision, valued by customers	Top
2	Statutory, fulfils our vision	High
3	Statutory, does not fulfill our vision, valued by customers	High
4	Statutory	Minimum to meet requirements
Discretionary Services		
5	Fulfils our vision, valued by customers	High
6	Fulfils our vision	Medium
7	Valued by customers	Low

TERMS OF REFERENCE

CENTRALISED OFFICE AND TRANSFORMATIONAL CHANGE BOARD

To review the project parameters, timescales, costing and the outcome of consultations in relation to the provision of centralised office accommodation (headquarters) and a depot and associated facilities, prior to advising the Cabinet, who will approve the project briefs within the budgets and parameters established by the Council and to monitor the Transformational Change & Delivery Programme.