

# Confident, Capable Council Scrutiny Panel

## Minutes - 22 July 2015

### Attendance

#### Members of the Confident, Capable Council Scrutiny Panel

Cllr Alan Bolshaw  
Cllr Jasbir Jaspal  
Cllr Jacqueline Sweetman  
Cllr Mary Bateman  
Cllr Andrew Wynne (Vice-Chair)  
Cllr Harbans Bagri  
Cllr Milkinderpal Jaspal  
Cllr Rita Potter (Chair)  
Cllr Wendy Thompson  
Cllr Payal Bedi

#### Employees

Mark Taylor	Director of Finance
Deborah Breedon	Scrutiny Officer
Charlotte Johns	Head of Transformation

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## Part 1 – items open to the press and public

*Item No.*    *Title*

- 1 Apologies**  
Apologies were submitted on behalf of Cllrs Laura McGregor, Carol Siarkiewicz and Keith Ireland, Managing Director.
- 2 Declarations of interest**  
There were no declarations of interest.
- 3 Minutes of previous meeting**  
Resolved

That the minutes of the meeting held on 16 June 2015 be approved as a correct record and signed by the Chair.

- 4 Matters arising**  
Minute 9 - A marketing strategy for the City Council

Cllr Andrew Wynne referred to the panels request for a briefing paper outlining the range of work being done as part of the wider efforts to market the city and

encourage more businesses to move to Wolverhampton. He indicated that the focus on the councils 'unique selling point' should not be lost and requested that the briefing paper be circulated to the Panel.

Charlotte Johns, Head of Transformation advised that Ian Fegan, Head of Communications is working with partners to progress city marketing and the 'City of Wolverhampton' corporate brand, she advised that marketing the city cuts across most areas of council business. Deb Breedon, Scrutiny Officer advised that scrutiny of city marketing and engagement with business falls under the remit of the Stronger City Economy scrutiny panel.

Resolved:

That a briefing paper be sent to panel members outlining the work being done to improve city marketing and engagement with the business and retail community.

**5 Future Money - making the most efficient use of financial resources**

Mark Taylor, Director of Finance provided the 'Budget Update and Review' report and gave an overview of the 'City of Wolverhampton Council's Financial Plan'.

The Director of Finance explained that the financial plan is a strategic document to set the scene for the next financial year and the medium term, as usual regular reports on the budget and the medium term financial strategy will be presented to Cabinet and scrutiny throughout the year. The first update was considered by [Cabinet 23 June 2015](#).

In response to a question from Cllr Alan Bolshaw relating to the percentage of repayments on HRA borrowing the Director of Finance advised that the financial plan (page 19) highlights that interest costs account for approximately one-tenth of the total revenue expenditure. He advised that the housing budget is exposed to interest rate movements which are monitored daily but that there is a need to repay the borrowing to maintain the decent homes position and to replace houses. He acknowledged that there will be a need to revisit the cycle of replacement later in the forecast and debt curve 2014/15 – 2043/44 as there most probably will be an impact to assets, but that it is not possible to forecast how or when.

Cllr Alan Bolshaw asked a further question relating to the impact of Governments 'Right to Buy' announcement and the impact on the councils Housing Budget. The Director of Finance advised that the Right to Buy (RTB) sales is one of the many unknown factors where an assumption has to be made over the course of thirty years. He acknowledged that during 2014 the RTB sales had been higher and clarified that there had been a need to review the HRA business plan and as a result a freeze was implemented on Wolverhampton Homes (WH) management fees for five years. Scrutiny members agreed that there is a need to monitor the situation going forward.

In response to a question from Cllr Milkinder Jaspal relating to equality implications resulting from savings proposals the Director of Finance advised that the Council assesses the equalities implications of each individual savings proposal as well as the cumulative impact of all savings. He advised that having due regard to the equality requirements is at the forefront of budget and policy development, but that

having due regard to those implications does not protect everyone from the impact of cuts. He informed the panel that if equality analysis is not carried out the savings proposal cannot be progressed.

In response to a question from Councillor Wendy Thompson relating to the amount of interest paid on borrowing the Director of Finance advised that the full account detail had been considered by [Cabinet 22 July 2015](#) but that the figure of loan interest was in the region of £20 million, half of that figure would be Housing Revenue Account (HRA) and half of that general fund. He advised that final borrowing figures relating to equal pay were not available as this is still a work in progress; he did however clarify that for each £10 million around £1 million would be payable annually.

In response to a request for update on Agresso the Director of Finance advised Cllr Wendy Thompson that the initial implementation phases are complete. He advised that there have been some challenges as with every new system but that on the whole Agresso is fairly well settled and managers are getting to grips with the system. He advised that the challenges that had been experienced with payments to suppliers had now been largely addressed. The Director of Finance advised that there is more work with Managers to embrace the Agresso system but that there is a real sense of improvement to the processes.

In response to a request for further detail on the savings proposals of £20 million the Director of Finance advised Cllr Wendy Thompson that the actual total of Savings proposed was £22 million and that [Cabinet 22 July 2015](#) had considered the report which identified savings of £17.1 million. He advised that the next stage of the process is for detailed proposals, including equality analysis to be prepared to go before Cabinet in October 2015, following which there will be a period of consultation on the proposals and the finance settlement from Government was expected in December after the Spending Review was announced by the Chancellor in November.

The Director of Finance advised the panel that 2017-18 budget will be particularly challenging to find the saving proposals and 2018-19 very challenging as there are now further budget pressures to consider such as the introduction of the 'Living wage' which will impact on contracts in businesses such as care providers. He advised that some provision was made within the medium term financial strategy for such pressures, however this was unlikely to be sufficient enough.

Cllr Jacqueline Sweetman referred to Financial Plan page 13 (table 2). She suggested that the Council should be looking for alternative opportunities to generate income that could help to mitigate the cuts and growth outlined in the table. She suggested that Local Government is changing in terms of finance and that Wolverhampton should look at the unique selling point and how processes internally can be utilised to generate income. She indicated that scrutiny can be proactive here and that some detailed work is needed to turn upside down the way we think and work as this is vital to the transformation agenda. She urged that this work and generation of ideas should start now.

Cllr Andrew Wynne questioned the increasing cost pressures referred to on page 12 (chart 5) of the Financial Plan. The Director of Finance clarified that the analysis by reducing resources and increasing cost pressures chart indicated where it was

planned to use reserves in the past (in red), and that the remaining area shaded red indicated the projected medium term budget deficit.

In response to a further question from Cllr Wendy Thompson the Director of Finance confirmed that employee consultation relating to car park charges can commence following Cabinet approval of the proposal. He advised that there had already been some discussions with unions relating to this proposal.

Cllr Milkinder Jaspal referred to a savings proposal at Birmingham City Council to reduce the number of Councillors and asked what the position is in Wolverhampton. The Director of Finance advised that reducing the number of Councillors in Wolverhampton was already assumed in the medium term financial strategy, however, it would be necessary to reprofile the timing of the savings as the Boundary Commission wanted to review all boundaries across the Black Country rather than just Wolverhampton. It was not clear when this work would commence.

The Chair requested that the minutes reflect the Scrutiny Panels thanks to the Director of Finance for the outstanding work he carries out at the City of Wolverhampton Council.

Resolved:

1. That the Panel welcome the arrangements for adequate identification and management of budget risks, budget planning and forecasting for future years.
2. That the Panel receive the City of Wolverhampton Council's Financial Plan and agreed that there is a need to monitor the external pressures going forward.
3. That the Panel request a report to a future meeting to consider alternative solutions through income generation.

## 6 **Future People - creating a skilled, flexible workforce**

Charlotte Johns, Head of Transformation provided a report relating to the councils approach to Organisational Development, including the Organisational Development (OD) Strategy and the Whistleblowing policy.

The Head of Transformation responded to questions about the strategy, including the Learning and Development plan. Cllr Alan Bolshaw asked for more information relating to the take up of employee volunteering scheme, and the Head of Transformation agreed to send figures out to the panel.

The panel asked if training is provided in house, and the Head of Transformation clarified that there is a mixed economy for training provision.

Cllr Jacqueline Sweetman welcomed the OD Strategy and acknowledged the enormous amount of work that had been carried out to get to this stage. The Head of Transformation clarified that this is the 2015-16 OD Strategy on which the Organisational Development Team (ODT) will be structured and she confirmed that there will be regular OD Strategy updates, regular review and re-alignment.

The Head of Transformation confirmed to Panel that the recent launch of the revised appraisal process is a core part of the changes set out. Panel welcomed the core behaviours and the work that had been carried out to develop a fresh approach. Cllr Andrew Wynne was particularly impressed by the core priorities and the mnemonic PRIDE:

- P – Put customers first
- R – Raise the profile in the City
- I – Inspire trust and confidence
- D – Demonstrate a can-do attitude
- E – Encourage teamwork

Cllr Andrew Wynne felt this will encourage employees to build a good culture, to be proud we are part of the City Council; which will permeate through the authority.

Cllr Andrew Wynne referred to the Whistleblowing Policy and Procedure document and asked for more information about recorded reported cases.

The Director of Finance advised that Audit committee is the vehicle to consider information pertaining to whistleblowing and numbers of cases reported, he did suggest that numbers of reported cases are low.

In response to a question from the Chair, the Director of Finance advised that information about whistleblowing is available on the intranet for all employees and that there have been recent promotions about the whistleblowing policy. Cllr Rita Potter advised that there is no requirement to have a whistleblowing policy but that it is good practice to do so.

Cllr Jacqueline Sweetman welcomed the core value of systems thinking and in response to further questions from Cllr Sweetman, the Head of Transformation clarified that whistleblowing is available from day one of employment and that whistleblowing could flag up any issues, including sexual harassment, but that any such incident would have to cross over into the correct process i.e. grievance/disciplinary. In a further question Cllr Jacqueline Sweetman asked for clarity of position for councillors if an employee approached a councillor to confide in them but did not want to put forward a complaint personally or through a union or other organisation. The Director of Finance confirmed that under such circumstances the councillor should advise the employee of the whistleblowing policy or could use the whistleblowing policy on their behalf.

The Chair and Panel members requested that thanks for the work that the Head of Transformation has carried out in relation to the Organisational Development Strategy be recorded in the minutes.

Resolved

1. That the panel welcome the Councils approach to Organisational Development and endorse the Organisational Development Strategy

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### **Termination of meeting**

The meeting terminated at 7.01pm