ISLE OF ANGLESEY COUNTY COUNCIL
Scrutiny Report Template

Committee:	Partnership and Regeneration Scrutiny Committee
Date:	19 June 2018
Subject:	Nomination to the Finance Scrutiny Panel and the Education Transformation Board
Purpose of Report:	To nominate one Member of this Committee
Scrutiny Chair:	Councillor Gwilym O Jones
Portfolio Holder(s):	-
Head of Service:	-
Report Author: Tel: Email:	Geraint Roberts (Scrutiny Officer) 01248 752039 GeraintRoberts@ynysmon.gov.uk
Local Members:	Not ward specific

1 - Recommendation/s
1.1 The Committee is requested to nominate one Member of the Committee to replace Councillor Robin Williams on the: 1. Finance Scrutiny Panel   2. Education Transformation Board

2 – Link to Council Plan / Other Corporate Priorities
Not applicable

3 – Guiding Principles for Scrutiny Members
To assist Members when scrutinising the topic:-   **3.1** Impact the matter has on individuals and communities **[focus on customer/citizen]**   **3.2** A look at the efficiency & effectiveness of any proposed change – both financially and in terms of quality **[focus on value]**   **3.3** A look at any risks **[focus on risk]**   **3.4** Scrutiny taking a performance monitoring or quality assurance role **[focus on performance & quality]**   **3.5** Looking at plans and proposals from a perspective of: • Long term   • Prevention   • Integration   • Collaboration   • Involvement   **[focus on wellbeing]**

4 - Key Scrutiny Questions
Not applicable

5 – Background / Context
5.1 On 27 June 2017, the Partnership and Regeneration Scrutiny Committee received a report requesting nominations to various Panels and Boards. The Committee nominated Councillor Robin Williams to be a Member of the :   1. Finance Scrutiny Panel (the Panel)   2. Education Transformation Board (the Board)   5.2 At the Annual Meeting of Isle of Anglesey County Council (15 May 2018), the Leader appointed Councilor Robin Williams as the new Portfolio Holder for Finance. Under the Local Government Act 2000, an Executive Member cannot be a Member of a Scrutiny Committee. As a result, the Committee will need to nominate a new Member to replace Councilor Robin Williams on the Panel and the Board.   5.3 The role of the Panel and Board is detailed in Appendix 1 and Appendix 2 to this report.

6 – Equality Impact Assessment [including impacts on the Welsh Language]
Not Applicable

7 – Financial Implications
Not Applicable

8 – Appendices:
1. Terms of Reference of the Finance Scrutiny Panel   2. Terms of Reference of the Education Transformation Board

9 - Background papers (please contact the author of the Report for any further information):
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<u>APPENDIX 1</u>

SCRUTINY PANEL – FINANCE

Financial Scrutiny

In the current economic climate, Members need assurance that the Council will make the best use of diminishing resources, particularly financial resources:

"... Effective scrutiny is even more important as public services respond to the challenges of the global financial situation while continuing to try to improve services. Effective scrutiny can improve the evidence base for decisions on the allocation of resources as well as ensuring that decisions are transparent and are made in accordance with the needs of the local community... " [1]

"How can we add value?" is the key question to be asked in terms of financial scrutiny and "how can we demonstrate that value is added at each stage of the financial process?"   In this context, consideration should be given to the following issues:

- The process of setting the budget itself
- Determining priorities among competing demands
- Effective use of funds
- How financial monitoring and management takes place.

Financial scrutiny is much more than adding value to the decisions of the Executive alone. It is about ensuring that a proper scrutiny process forms part of the planning, implementation and follow up on key decisions that have an impact on taxpayers and local communities. As such, effective Scrutiny can:

- Challenge effectively
- Hold decision makers to account; and
- Assist the Executive to develop a robust budget for the forthcoming year.

Our Local Arrangements

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[1] Good scrutiny? Good question! Improvement study Auditor General Wales: Scrutiny in Local Government, May 2014. Also, raising the stakes – financial scrutiny in challenging times. A guide for Welsh local authorities (Centre for Public Scrutiny, June, 2014)

The scrutiny of the process of establishing the Council's annual budget has developed and matured over the past 2 years laying the foundations for a better, more strategic process based on outcomes and good practice. In fact, the process allowed for a more systematic path with regard to financial scrutiny, which is an essential component of sound financial management and governance.

The scrutiny work carried out by the scrutiny panel on realising efficiencies for 2014/15 and 2015/16 was also a positive development in our financial scrutiny arrangements, through:

- Development of a model focusing on a smaller group
- Members developing a level of expertise
- Encouraging good attendance and teamwork

Our financial scrutiny is now emerging as a potential model of good practice.

It is therefore a **natural next step** to establish a children's sub-group as a sub-panel of the Corporate Scrutiny Committee. Doing this will ensure the following benefits:

- Developing a model of working on finance matters focusing on a smaller group to enable Members to become more involved, develop a level of subject expertise, encourage good attendance and teamwork
- Forum to discuss information regarding the Council's financial risks, as a basis to inform the forward work programme of the Corporate Scrutiny Committee
- To free up space on the agendas of the Corporate Scrutiny Committee meetings in order to ensure scrutiny of transformational and strategic matters
- Forum to develop a group of members with the expertise and the ownership to lead financial discussions in the Corporate Scrutiny Committee.

Proposed scope and remit of the Panel

Topic	Work programme	Timeline
Induction	Induction of Panel members	June
Quarterly monitoring of the Revenue and Capital Expenditure	Scrutiny of expenditure against budget profile	Quarterly
	Sharing information on financial risks to the Council in order to inform the forward work programme of the Corporate Scrutiny Committee	June

Topic	Work programme	Timeline
The forthcoming year's budget		
	Draft budget - the mechanics and process of the financial settlement	Summer
	Overview of the position regarding efficiencies	Autumn
	Scrutinise the risks of proposed efficiency savings	
	Scrutinise how achievable the proposals are	
	Scrutinise the Council Tax level for the following year	
Medium Term Financial Plan	Scrutinise the principles and assumptions	Summer
Debt Management	Scrutiny of debt management performance (to include collection rates)	To be confirmed (dependent on availability of information produced regionally)
Business Tax Relief Policy	Scrutinise the principles and assumptions	To be confirmed (on off piece of work)
HRA Business Plan	Scrutinise the principles and assumptions	January
Council balances and reserves	Questioning and scrutiny	Timeline to be agreed by the Panel

Panel Membership

The core membership of the Panel will include:

- Elected members - 2 members from both committees
- Officers - Head of Resources and S151 Officer, Accountancy Services Manager, Revenues and Benefits Service Manager, Scrutiny Manager

The Panel's work will possibly require the attendance of other Elected Members (e.g. members of the Executive Committee) and / or officers from other service areas.

Chairing

At its first meeting, the Panel will elect a Member to chair.

Frequency of Meetings and Quorum

- **Frequency of meetings** – the panel has been established as a standing panel to consider the breadth of financial issues which are summarised in the table above. The panel will therefore meet regularly, in accordance with the schedules of the Council's budgetary processes

- **Quorum** – this will not apply to the panel.

Recording meetings and Reporting Arrangements

- It is intended for the panel to run in the format of a business meeting. The Scrutiny Unit will collate and distribute any papers in preparation for each meeting and provide a list of action points following each meeting

- **Reporting arrangements** - regular reporting by panel members to the Corporate Scrutiny Committee.

<u>APPENDIX 2</u>

Education Transformation Board
Terms of Reference

The purpose of this document is to set the terms of reference for the Education Transformation Board. This document covers:
1. **The Governance**
2. **The Education Transformation Board's Objectives**
3. **The Purpose and Role of the Education Transformation Board**
4. **Membership of the Education Transformation Board**
5. **Decision Making**
6. **Meetings**
7. **Urgent Matters / Issues**
8. **Reporting mechanism**
9. **Adopting and Reviewing the Terms of Reference**

1. **Governance**

The Education Transformation Board (ETB) will be accountable to the Partnerships, Community and Service Improvement Programme Board – this governance structure ensures that the ETB and its school modernisation projects can demonstrate a delivery at pace to the Senior Leadership Team. The Corporate Asset Management Group will provide an overview to the ETB to ensure a consistent approach to the management of the Authority's assets. The ETB will adopt the corporate project

management principles, work to an agreed project plan and report on progress. Each Project and their business cases will require the ETB'S approval.

2. The Education Transformation Board's Objectives
- Drive the corporate transformation agenda to deliver the school modernisation programme's outcomes and benefits.
- Direct and review projects to ensure successful implementation.
- Act as individual Project Boards and implement project level governance as required.
- Ensure commitment to commencement of the next phases of delivery by the Partnerships, Community and Service Improvement Programme Board
- Ensure commitment to improving school standards

3. The Purpose and Role of the Education Transformation Board
- Sign off the Project Initiation Documentation/ Business Cases
- Receive reports from the Programme Manager on the progress, risks and the business cases
- Send reports and make recommendations to the Executive and the Senior Leadership Team on the business cases, consultations process and option appraisals needed for the school modernisation programme and projects
- Ensure that the School Modernisation's Communication Plan is (developed in accordance with the Corporate Communication Strategy) feeding into the 'Corporate Media Strategy' (with all external communication to the press being approved by the Senior Leadership Team /Executive)
- Ensure that the project team conducts timely and effective communication with all relevant stakeholders
- Direct and challenge the education department and project team with reference to improving school standards and increasing leadership capacity across the primary and secondary sector.
- Monitor the impact of the schools' modernisation programme on school standards.
- Oversee education officers' actions in addressing the need to increase leadership capacity in Anglesey's schools.
- Provide support and challenge to the lifecycle of the projects
- Assist with all decision making solutions
- To ensure that the required resources are available to deliver the project
- To highlight issues and risks to be addressed by the project team
- Oversee and monitor key milestones within the project plan
- ensure that appropriate resources allocated to the projects are monitored in respect of spend against budget
- monitor progress of the school modernisation projects and authorise slippage
- Review risks, issues and exceptions and determine appropriate course of action based on recommendations from the Programme Manager
- Sign off project phases/closure
- Direct and challenge the project team with reference to future strategic planning, with due regard to demographic changes
- Direct and oversee the project management of the implementation phase

4. Membership of the Education Transformation Board
The Education Transformation Board Programme's membership will be as follows. Deputies will have to be authorised by the Chair.

Board Member – Senior Responsible Officer (Head of Service) - CHAIR
Board Member- Chief Executive/ Assistant Chief Executive

Board Member – Head of Service (Property, Children's Services, Transformation)
Board Member – Education Portfolio Holder
Board Member - Shadow Portfolio Holder (Finance)?
Board Member – Member of the Corporate Scrutiny Committee
Board Member- Section 151 Officer

Invited – School Modernisation Strategy Manager
Invited – The Local Authority's Architect
Invited – Representative of the Partnerships, Community and Service Improvement Programme Board
Invited-School Modernisation Programme Manager
Invited- Chair of the Primary Strategic Group
Invited – Chair of the Secondary Strategic Group
Invited – Welsh Government's Head of School Reorganisation
Invited – Education Officers
Invited – the Leader of the Council

5. Decision Making

In exercising their terms of reference, the Education Transformation Board can make recommendations that will also require Executive approval or the agreement of the SLT.
Such recommendations will be escalated to the Executive /SLT, via the Partnerships, Community and Service Improvement Programme Board as appropriate.

Generally, decisions within budget and within policy framework shall fall within the remit of the Executive, and matters concerning staff /management will be dealt by the SLT.

These arrangements will be reviewed in 12 months' time to decide whether such decision making should be exercised by the Executive / SLT representatives of the Board.

6. Meetings

- The Education Transformation Board will meet quarterly as appropriate. Meetings will be quorate where 5 members are present. On occasions that SLT cannot attend, the board shall refer high-level decisions to SLT when deemed appropriate by the board.
- All meetings will be agenda-led, and members will have the opportunity to propose items for the agenda before the meeting.
- All meetings will record key discussion points, decisions, recommendations, and actions agreed.
- Special meeting of the ETB can also be arranged when key decisions are required to drive the programme / projects forward.

7. Urgent Matters / Issues

In the event of issues arising, requiring urgent attention or approval - the Programme Manager will raise an 'issue' by sending an e-mail to all Board Members, which will include the following details:
- the nature of the issue
- the time constraints
- the consequence if not addressed within the time constraints.
- the likely consequence on project budget
- the proposed mitigating action for the Board to consider
- the date that the ETB members are required to respond.

The responses will be given attention by the Chair /SRO and the ETB's members will be informed of the recommendation or the proposed way forward.

8. Reporting mechanism

All documentations to be discussed and challenged at the meeting will be distributed to the members a week in advance. The documentations will include:

- Individual highlight report for each project
- Risk / issue register for the overall programme
- Gateway Review recommendations/ action plans
- Resource management spreadsheet to illustrate that the required resources are in place to support the programme
- Business Cases
- Strategic Planning papers, as appropriate

9. Adopting and Reviewing the Terms of Reference

The Terms of Reference was adopted during the first meeting of the Education Transformation Board meeting, and will be reviewed annually.