

## **MINUTES OF A MEETING OF THE CORPORATE SCRUTINY COMMITTEE HELD AT COUNTY HALL, CHELMSFORD AT 10 AM ON 23 JULY 2013**

### **Present**

J Young (Chairman)	R Lord
W Archibald	M Mackrory
S Barker	Lady Newton (substitute)
M Buckley	P Oxley
J Chandler (substitute)	M Page
J Deakin	J Pike
R Hirst	C Seagers

Also in attendance were Councillor D Finch, Leader and Cabinet Member for Finance, and Councillor D Louis, Cabinet Member for Transformation and Corporate Services.

The following officers were also present in support of the meeting:

Robert Fox	Scrutiny Officer
Graham Hughes	Committee Officer

### **1. Apologies for Absence and Substitutions**

The Committee Officer reported apologies for absence from Councillor G Butland, (for whom Councillor Lady Newton attended as substitute) and Councillor V Metcalfe (for whom Councillor J Chandler attended as substitute).

### **2. Declarations of Interest**

No declarations of interest were made.

### **3. Appointment of Vice Chairman**

At the invite of the Chairman, the following nomination for Vice Chairman was received:

Councillor M Buckley (proposed by Councillor Barker and seconded by Councillor J Pike):

By general consent, it was **agreed** that Councillor Buckley be elected as a Vice Chairman of the Committee.

### **4. Minutes**

- (i) The minutes of the held on 25 June 2013, were approved as a true record and signed by the Chairman.
- (ii) It was noted that a review of the Local Highways Panels, and the overspend in Care and Support attributed to higher than expected number of clients with physical or sensory impairment receiving personal budgets,

- would both be referred to the Scrutiny Board to determine if they should be future areas for scrutiny.
- (iii) No further information had been received on recent media reporting of significant outstanding and uncollected library fines;
  - (iv) The Procurement Strategy Task and Finish Group would have the following membership: Councillors Archibald, Buckley, Mackrory, Oxley and Young.

## **5. Transformation 2 update**

The Committee considered a report (CSC/06/13) on Phase 2 of the Transformation Programme. Councillor D Louis, Cabinet Member for Transformation and Corporate Services, and P Abraham, Director for Transformation, were present to introduce the report and to answer questions.

The County Council faced significant financial challenges with a projected increasing budget shortfall over the next three years reaching £215 million by 2016/17. Whilst the first phase of Transformation had been successful in reducing costs, it had been achieved mostly within the current directorate based organisational structure. Transformation Phase 2 would redesign the organisation, separating commissioning from delivery, and pursue an outcomes-based commissioning-led model.

The key objectives of the second Phase of Transformation were outlined. During discussion the following were highlighted and/or discussed:

- (i) Phase 1 of Transformation had provided a combination of hard cash savings, an increased ability to absorb more of the increase in demographic growth cost pressures, and cost avoidance;
- (ii) The initial 'go live' date for the new organisational model was October 2013 with further structural work undertaken during the following three years. The Cabinet Member considered this to be a challenging and realistic timeline but where there were opportunities to accelerate certain aspects then these would be taken;
- (iii) The County Council would seek to manage some of the demand for services by identifying and implementing earlier interventions and prevention where possible;
- (iv) The first Phase of Transformation had largely been delivered by internal resource, except where specialist consultancy had been needed, and this same approach would be continued for the second phase;
- (v) Services in future would be delivered by a wide range of organisations which would include local authority trading companies, mutuals, social enterprises and community and voluntary bodies as well as internal providers. This reflected the direction of travel for the whole local government sector;
- (vi) The County Council had managed to increase contractual spend with SMEs from 36% of the total budget to nearer 50% in recent years. A similar approach was now being taken to assist the community and voluntary sector in competing for future contract placements;

- (vii) A new commissioning support function would be established to increase the County Council's capacity to collect and interpret information and data to formulate commissioning priorities;
- (viii) Instigating cultural change was identified as one of the major internal challenges facing the County Council;
- (ix) The volatile economic environment had been identified as a major external risk. This re-emphasised the need for the organisation to become more agile and flexible in responding to such challenges. Members highlighted the difficulty in actually being able to measure this objective;
- (x) Members highlighted the importance of clear accountability for outcomes, clear performance measures and retaining control of how outcomes were achieved. Significant detail and parameters would be included in each specific contract and tenderers would be expected to articulate how they expected to meet these contractual requirements as part of the tender submission and evaluation process. This would then be benchmarked against the County Council's outcomes and policy frameworks. Shorter term sub-measures would be developed to gauge interim progress where there was a long-term impact required under the contract;
- (xi) Commissioners would still be held accountable to Members and senior officers. Training for Members on how to hold commissioners to account would be developed;
- (xii) Members questioned how flexible and agile the County Council could be if it placed long term contracts and cited the Ringway Jacobs 10 year contract for maintaining the highways as an example. It was stressed longer term contracts were sometimes necessary if the County Council was expecting contractors to make significant capital investments as part of the contractual performance. Detailed modelling had been done to ascertain whether the County Council or contractors were best placed to make capital investments and this varied with each contract;
- (xiii) It was confirmed that staff would only be asked to undertake tasks for which they had been trained;
- (xiv) Some Members suggested that clearer explanations needed to be given in the County Council's communications strategy with service users to emphasise the provision and cost of less visible services.

It was **agreed** that a further update should be provided to the Committee in October as part of a quarterly programme of updates.

Councillor Louis and Mr Abraham were then thanked for their attendance and they then left the meeting.

**6. 2012/13 Essex County Council Annual Report and Corporate Plan Progress Report: 2012/13 Year End**

The Committee considered a report (CSS/09/13) comprising the 2012/13 Essex County Council Annual Report and a progress report on the Corporate Plan. Councillor D Finch, the Leader and Cabinet Member for Finance, was in attendance to introduce the report and to answer questions.

Councillor Finch outlined some of the key achievements and statistics from the Annual Report. During subsequent discussion the following were highlighted and/or discussed:

#### Annual Report

- (i) The County Council continued to support schools to improve the quality of teaching and learning, and leadership and management, where concerns had been identified. However, Essex remained below national averages for both the percentage of pupils achieving the expected levels in the Early Years Foundation Stage and for the proportion of children achieving five or more A\* to C grades including English and Maths at GCSE or equivalent. Members encouraged earlier intervention to identify poorly performing schools;
- (ii) Most of the reserves were ring-fenced with approximately £86 million remaining as non-ring-fenced reserves. The Cabinet Member confirmed that the level of reserves were considered adequate and not excessive;
- (iii) The County Council now had responsibility for Public Health which included initiatives to address obesity. Future strategy was being formulated as part of the development of Community Budgets with the costs and benefits of any reduction in obesity rates being allocated in line with partnership arrangements. Members requested and it was **agreed** that clearer presentation of data on obesity be considered for future annual reports;
- (iv) Some schools were converting to academy status. The County Council was highlighting the benefits and support received by schools whilst they remained local authority controlled. Members stressed the importance of maintaining on-going dialogue with academies;
- (v) Some Members highlighted a recent change in school admissions criteria which allowed oversubscribed schools to give priority to children with siblings already at the school ahead of other children living in the catchment area for the school. Anecdotal evidence was given that in some instances this meant excessive pupil journeys to schools in outlying areas for those without siblings at their local school. Councillor Finch agreed to investigate this further;

#### Corporate Plan: Progress Report

- (vi) Some Members highlighted that the percentage of residents engaged in volunteering had reduced. Developing greater community resilience was part of the Community Budgets programme and further information on developing community resilience would be provided to the Committee;
- (vii) In relation to the Corporate Progress Report, consideration would be given to extracting and presenting information on pot holes separately from highways structural maintenance data;
- (viii) The percentage of residents who felt safe after dark had declined slightly compared to the two previous years. The proposed reduction in the level of street lighting in the County would only be done in areas where it was considered safe to do so.

## 7. Engaging with Essex residents

The Committee considered a report (CSC/07/13) on the 'Your Essex, let's talk' campaign. Councillor D Finch, the Leader and Cabinet Member for Finance, was in attendance to introduce the report and to answer questions.

The campaign was not intended to replace the County Council's established engagement mechanisms or where it had a legal duty to consult on specific service changes. Instead, the objectives of the campaign would be to ensure that residents and communities understood and accepted the need for change/decommissioning in ECC services; recognised that the County Council was fair, open and transparent in its decision-making; and felt that the County Council had listened to, and considered, their views in reaching decisions. It was proposed that Members led the engagement activity through public road shows, a series of community summits, and engagement with the wider media and social media.

In addition to the above specific campaign activity it was proposed that the County Council commenced webcasting of key formal meetings so as to make them more accessible and transparent to the public. Some members gave anecdotal evidence of webcasting undertaken by other local authorities.

Some Members suggested that also allowing the public to speak at formal meetings was an important part of accessibility and transparency. Members discussed the practicalities of managing public speaking at meetings and acknowledged that there were some issues that would need to be addressed in detailed procedural guidelines, if it were to happen. Other members cautioned that public speaking at formal meetings could be parochial and that it should be strategic and not personal. In addition, it was stressed that the County Council should continue to maintain a variety of communication mechanisms to maximise accessibility in the community.

It was **agreed** (i) To note the report; and (ii) to reconvene the External and Internal Communications Task and Finish Group to scrutinise the proposed campaign and, in particular, to make recommendations on public speaking at formal meetings, and the public role, if any, of Locality Boards and Local Highways Panels.

It was noted that the current membership of the External and Internal Communications Task and Finish Group was Councillors Butland, Mackrory and Pike. Members were asked to notify the Scrutiny Officer if they also wished to serve on the Group

## 8. Work Programme

The Committee considered and **Agreed** the Forward Look/Work Programme 2013/14 (CSS/08/13) subject to the following:

- (i) Quarterly Transformation 2 updates be added to the future meeting schedule;

- (ii) Pan Essex Broadband coverage and Social Impact Bonds both be added as possible future areas of work;

**9. Date of Next Meeting**

The next meeting would be held at 10am on Tuesday 17 September 2013 in Committee Room 2.

There being no urgent business the meeting closed at 12.11 pm.

Chairman  
17 September 2013