
Minutes of the meeting of the Corporate Policy and Scrutiny Committee, held at 10.15am on Thursday, 27 July 2023 in Committee Room 1, County Hall, Chelmsford.

Present:

County Councillors:

Chris Pond (Chairman)

Lewis Barber

Simon Crow

Mike Garnett

Ivan Henderson

Sam Kane

Mike Mackrory (Vice Chairman)

Jaymey McIvor

Anthony McQuiggan

Clive Souter

Mike Steptoe (Vice Chairman)

Councillors joining remotely via Zoom

Alan Goggin (Chairman, Place Services and Economic Growth Policy and Scrutiny Committee)

Marshall Vance

Graham Hughes, Senior Democratic Services Officer, and Gemma Bint, Democratic Services Officer, were also present.

1 Membership, Apologies, Substitutions and Declarations of Interest

The report on Membership, Apologies, Substitutions and Declarations was received and it was noted.

Apologies for absence had been received from Councillors Wendy Stamp and Marshall Vance (Councillor Vance joined the meeting remotely).

2 Minutes

The draft minutes of the meeting held on 25 May 2023 were approved as a true record and signed by the Chairman of the meeting.

3 Questions from the public

There were no questions from the public.

4 2023/24 Financial Overview as at the First Quarter

The Committee considered report CPSC/13/23 comprising the 2023/24 First Quarter Financial report, as presented to Cabinet on 18 July 2023 and a presentation which can be found [\[link\]](#).

The following joined the meeting for the duration of the item:

- Councillor Chris Whitbread, Cabinet Member, Finance, Resources and Corporate Affairs.
- Stephanie Mitchener - Director, Finance
- Adrian Osborne - Head of Strategic Finance & Insight

Key points raised during the introductory presentation and subsequent discussion included:

- (i) Key trends from the last financial year were continuing with inflation remaining high, increasing demand for services, and rising interest rates well in excess of rates over the last 15 years.
- (ii) There was a forecast revenue over spend of **£14.3m** (1.3%), against a net revenue budget of **£1.1bn**.
- (iii) Key drivers behind the First Quarter Revenue budget overspend were Children's Placements with higher costs and higher number of placements than had been anticipated, reablement capacity issues within Adult Social Care requiring additional spot purchasing and a delay in delivery of the organisation wide Staffing Review savings. There was an expectation that only half of the £5m ECC wide savings budgeted relating to staff resource levels would be delivered in the current financial year.
- (iv) £35.5m of savings was planned in 2023/24 with £6.9m currently at risk of non-delivery.
- (v) No immediate material pressures relating specifically to inflation were being reported. However, it was inevitable that there would be some lag between inflation and market pricing. Some reserves were specifically set aside for inflationary risk.
- (vi) There was a Capital Programme under spend of **£10.3m** (3.4%) against a budget of £303m. Slippages/reductions in relation to Essex Housing LLP projects (£25.6m) and Special Schools (£3.1m), M11 Junction 8 (£10m) and Active Travel (£2.7m) were the main contributory factors.
- (vii) Updates on the Matters Arising from the full year provisional Outturn discussion on 25 May 2023 were detailed in the opening presentation and further discussed.
 - There were no reciprocal arrangements in place with other authorities around costs if SEN children were placed in schools in other local authority areas. Essex paid for provision for Essex pupils placed in other LA schools.

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- The 30% increase in EHCP complaints was a national figure. Essex had had a higher rate compared to other authorities, although publication of the latest national data was awaited.
 - The applications for two further SEN schools submitted by the County Council had not been approved by the Department of Education. Members queried the impact of these not going ahead although it was stressed that the SEN Strategy was also encouraging greater inclusion across the mainstream offer where appropriate. The two bids had not been part of the 2023/24 Capital Programme.
 - The increase in Local Bus Grant income and Contract Changes related to funding from a central government Bus Recovery Grant and English National Concessionary Travel Scheme over and above what was budgeted.
 - The Social Care Platform Programme was currently in the process of being re-planned and there was reconsideration of options for recommencing the procurement.
 - Detail was given on some recruitment and retention initiatives to address Adult Social Care and Health staff shortages.
 - The underspend on the Members Locality Fund in 2022/23 had occurred due to a combination of factors including a previous year's underspend being carried over and inflating the budget and not all Councillors claimed their full allocation.
 - Some grant funding for Climate Actions had been applied for jointly with District, Borough and City Councils, to be delivered by the South-East Energy Hub, and this had not gone through ECC accounts as a result. Taking grants awarded to South-East Energy Hub into account, as at July 2023, £92.161m of external funding had been attracted into Essex (£39.983m capital funding and £12.878m revenue funding totalling £52.861m directly to ECC and £39.3m through South East Energy Hub).
- (viii) High interest rates were likely to have more of an impact in the subsequent years rather than the current one, particularly through its impact on contracts. It was likely that one would see a benefit in income for the current year from high interest rates but a delayed adverse impact on borrowing rates in later years.
- (ix) Some members challenged the recurring statements about overspends on children's services and that there always seemed to be more demand than anticipated and queried whether unrealistic budgets were being set for those services. It was

stressed that it did not take many complex care packages unexpectedly coming through to make a significant difference.

- (x) The capital programme slippage for Essex Housing LLP was primarily due to a timing issue with ECC's Annual Budget being set a month before the Essex Housing LLP Annual Delivery Plan was considered by Cabinet.
- (xi) Some members suggested that, with a significant number of adults awaiting some form of intervention from Adult Social Care, proposed savings may need to be further reviewed if they were to have an impact on delivery of front-line services.
- (xii) Reference was made to the importance of an update on youth services being scrutinised at a future meeting of the People and Families Policy and Scrutiny Committee, particularly as it was reported that more contacts were being made and yet there was an underspend in the service partly due to staff vacancies.

Conclusion

It was agreed to provide or consider further the following:

- (i) A breakdown of the spend on repairs at the Clarendon Road property, Watford;
- (ii) Further information on the underspend in the Youth Service due to recruitment, turnover and vacancy challenges.
- (iii) Whether funding from the Bus Recovery Grant could be used for ECC's subsidised bus services.
- (iv) Breakdown on how bus services are funded in Essex.
- (v) In relation to Essex Recharged Support Services, further information to be provided on the Facilities Management contract pressure and overspend due to increased volumes of document storage.
- (vi) There should be a regular update on the capital programme including the parts attributable to Essex Housing LLP.

The contributors were thanked by the Chairman for their attendance and then left the meeting. Thereafter the Chairman proposed a change in the running order of the agenda and to bring forward the item on the recent call-in (agenda item 6) which was agreed.

Call-in withdrawn: FP/178/07/23 - Local Levelling Up Fund: Additional Funding Proposals and Minor Amendments to the Local Community Fund Rules

The Committee considered report CPSC/15/23 comprising the process followed for the call-in of the above proposed decision.

After discussion about some of the issues raised by Cllr McGurran during the call-in process, it was agreed that a future item be scheduled into the Committee's work programme for an update on the governance and operation of the Local Levelling Up Fund [Clerks note: this has now been replaced by the Local Community Fund]. Members were keen to see that the scheme was running smoothly across the County.

Work Programme

The Committee received and noted report CPSC/12/23 comprising the current work programme.

The meeting then adjourned at 11.10am and reconvened at 11.25am.

7. Performance discussion – Quarter 4 2022/23

The Committee considered report CPSC/14/23 which comprised a performance update on objectives and key performance indicators within the Everyone's Essex performance framework and strategy.

The following joined the meeting for the duration of the item:

- Councillor Kevin Bentley, Leader.
- Richard Puleston, Director: Policy
- Duncan Taylor - Business Intelligence Partner

The report provided included the most recent strategic measures, showing outturns from January to March 2023. For most measures, this therefore also represented the end of the year outturns.

Key points raised and noted during the discussion included:

- (i) The Leader wanted to offer good alternatives to car usage such as cycle paths and public transport.
- (ii) Total crime in Essex (including Violent Crime) had reduced since the same time last year. However, it was highlighted by some members that conviction rates for burglary and rape were still poor in Essex and in response it was suggested that the Police Fire and Crime Commissioner may be able to give more context on the extent of crime in Essex.
- (iii) Recent media reports had indicated that district councils would become responsible for housing and supporting some refugees. Some members voiced concern about the adequacy of infrastructure for some of the urgent and temporary accommodation either already in place or being proposed and, also, that the use of local hotels could impact on tourism. The Leader stated that discussions with Government were continuing

and he believed that some additional funding for local councils could be available to help with the cost of supporting refugees.

- (iv) Draft text had been received from the Government in connection with further devolved powers for Essex. Conversations continued with Unitaries and Borough, City and District Councils as to what they also wanted to see in a devolution proposal. The Leader stressed that he specifically wanted to see responsibility for Skills, transport (including control of local franchises and timetabling), and spatial planning to be devolved.
- (v) Any Mayoral model for devolved powers would be for Greater Essex which would be on a par size wise with some of the Combined Authorities already in place. There was currently no scope to redraw any Essex administrative boundaries.
- (vi) The Leader wanted to continue to encourage and facilitate young people having the opportunity to speak to industry and businesses as part of planning their future careers. A Decision was due to be published soon to invest in eight specific careers support interventions in local schools.
- (vii) Whether future savings targets would further impact on the numbers already awaiting intervention from Adult Social Care. It was stressed that savings were specifically being sought from looking at more efficient ways of working and removing unnecessary processes that cost money.

Conclusion

It was agreed the following would be provided and/or investigated further:

- (i) Information available on actual and trajectories for GHG emissions.
- (ii) Information available on road fatalities and consider including a measure/target to reduce road fatalities in future updates.
- (iii) To provide more information on the pace of the retrofit of homes which currently looked off-target.
- (iv) Once a proposed devolution plan and timetable was formulated then it would be brought to the Committee for scrutiny.

8. Urgent Business

No items were raised. The Chairman then closed the meeting at 12.15pm

Chairman