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**Minutes of the meeting of the Corporate Policy and Scrutiny Committee, held at 12.53pm on Tuesday, 7 November 2023 in Committee Room 1, County Hall, Chelmsford.**

**Present:**

*County Councillors:*

Chris Pond (Chairman of the meeting for items 5 - 8)

Simon Crow

Mike Garnett

Mike Mackrory (Vice Chairman - Chairman of the meeting for items 1 - 4)

Jaymey McIvor

Anthony McQuiggan

Clive Souter

Wendy Stamp

Mike Steptoe (Vice Chairman)

Marshall Vance

*Members of the Committee joining remotely via Zoom:*

Lewis Barber

Ivan Henderson

*Councillors from other scrutiny committees also present:*

Carlo Guglielmi, Vice Chairman - People and Families Policy and Scrutiny Committee

Peter May, Vice Chairman - People and Families Policy and Scrutiny Committee

*Councillor from another scrutiny committee joining remotely via Zoom:*

Alan Goggin, Chairman - Place Services and Economic Growth Policy and Scrutiny Committee.

Graham Hughes, Senior Democratic Services Officer, and Lisa Siggins, Democratic Services Officer, were also present.

Councillor Pond was not present at the start of the meeting due to travel delays.

Councillor Mackrory took the chair for agenda items 1–4 inclusive. Thereafter, Councillor Pond took the chair for the remainder of the meeting.

**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 Lewis Barber and Ivan Henderson (both of whom joined the meeting remotely via Zoom) and Councillor Sam Kane.

*Declarations of interest were declared in relation to agenda item 5 as follows:*

Councillor Ivan Henderson - Cabinet Member at Tendring District Council and various levelling up initiatives launched or being launched in conjunction with the district Council were being reported.

Councillor Lewis Barber – member of the St Botolphs Panel

Councillor Guglielmi - member of the Tendring Colchester Borders Garden Community Project  
Councillor Alan Goggin - Director of Hope Academy (and Chairman of Finance Committee)

## **2 Minutes and Matters Arising**

The draft minutes of the meeting held on 28 September 2023 were approved as a true record and signed by the Chairman of the meeting.

### Matter Arising

It had been reported at the last meeting (as part of the agenda item on Council-owned Companies) that one ECC Director was remunerated for their role on Essex Cares Limited. ECL had been going through a period of review after the Chief Executive had left the Company and the ECC employee had been appointed as an interim replacement. It was confirmed that the period of this interim placement had just been extended further.

## **3 Questions from the public**

There were no questions from the public.

## **4 2023/24 Financial Overview as at the Half Year**

The Committee considered report CPSC/20/23 incorporating the 2023/24 Half Year Financial report presented to Cabinet on 10 October 2023.

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) Financial conditions were challenging. Inflation remained high although slowly falling, and interest rates remained well above rates generally seen over the past 15 years.
- (ii) A revenue over-spend of £12.7m (1.2%) was forecast at the half year stage. This was driven by higher levels of complexity and cost of placements for children, Adult Social Care reablement capacity issues and more spot purchasing being required, home to school transport, and a delay in delivery of the organisation wide Staffing Review. Provider costs had increased and ECC

were using all opportunities to lobby Government about the pressures on Children's Services and Adult Social Care.

- (iii) The half year update was showing how the financial position of the County Council progressed during the year including cost recovery activity within year and the operation of provisioning and reserves to fund overspends if necessary.
- (iv) Whilst the County Council held significant reserves, a significant part of them were already earmarked for use. ECC continued to hold reserves specifically set aside for inflationary risk.
- (v) A capital over-spend of 12.2m (3.8%) was forecast against the latest budget of £319.1m. After proposed adjustments there was a residual overspend of £3.2m. Increased cost of road maintenance and footway maintenance were a key driver although there had been slippages and/or reductions in some project costs.
- (vi) £35.5m of savings were planned for 2023/24 with £6.9m currently at risk of non-delivery.
- (vii) Anticipated levels of borrowing and grants were set out in the report. Whilst there were some specific disclosures about new borrowing, the County Council would also continue to pay off existing debt. It was planned to plateau the levels of debt.
- (viii) Grants for the current year had been favourably enhanced by Government grants currently available. In terms of the capital programme, some schemes had attracted specific housing infrastructure grant funding.
- (ix) A £2.4m overspend on Home to School Transport was due to unfunded pressures which included more complex passenger needs and further mileage travelled, and an estimated £600,000 transporting Asylum students from hotels to mainstream schools across the county. Further analysis was underway to help develop a plan to manage the escalating costs.
- (x) The County Council had used some reserves to take actions after the Government announcement on Reinforced autoclaved aerated concrete (RAAC). The Government had indicated that there would be reimbursement of costs incurred but there was no further detail about that currently available. The Scrutiny Board would be looking at the financial implications of RAAC and impact on pupil wellbeing next year.
- (xi) Challenges remained in recruitment and retention of health and social care staff. It was suggested that it may also apply to some extent to resourcing and support for Local Highways Panels.

#### Conclusion

It was agreed to provide further information on the following:

- (i) The savings anticipated from the Staffing Review and a schedule/forecast on when deliverable and realised.
- (ii) Revenue Support Grant levels over last few years to help provide further transparency on the trend.
- (iii) The mid-financial year adjustment for funding Local Highways Panels and particularly whether some previously announced funding of £2.4m was no longer being fully released.

The contributors were thanked by the Chairman for their attendance and then left the meeting.

The meeting then adjourned at 1.50pm and reconvened at 2pm.

## **5. Performance discussion- April to August 2022-23**

The Committee considered report CPSC/21/23 which comprised an update on the progress being made against Key Performance Indicators – based on the Q1 performance report with some core updates up to August 2023, together with some broader commentary on the wider operational landscape of Essex, including other factors affecting residents.

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

- Councillor Kevin Bentley, Leader.
- Councillor Louise McKinlay, Deputy Leader and Cabinet Member for Levelling Up, and the Economy.
- Suzanne Barcz, Head of Performance and Business Intelligence.
- Rebecca Gipp, Head of Levelling Up Co-ordination

Key points raised, acknowledged and/or noted during the discussion included:

- (i) With projections of increasing numbers of elderly residents requiring social care, ECC services needed to be transformed to enable better and more efficient delivery of support in future.
- (ii) Devolution could enable greater influence, and responsibilities for, the skills agenda and enhancing opportunities.
- (iii) It was suggested that accessibility to, and affordability of, transport could be a significant barrier to levelling up. One of the elements of future Tier 2 devolution could be having the responsibility to manage bus franchises.

- (iv) There were significant demand and cost pressures on children's services and social care. There were also significant increases in Home to school transport costs and a suggestion was made that the statutory guidance on this may need to be reviewed.
- (v) Some members highlighted the increasing numbers of homeless and the pressure on District council finances in finding accommodation for those homeless.
- (vi) Partnership work with districts and other local partners was particularly important in relation to accommodating those seeking asylum and providing the necessary underlying community cohesion. Reference was made to a recent release of a Police community tensions report which Councillor Stamp undertook to circulate round to members of the Committee.

#### *Levelling Up update*

- (vii) The Year 2 annual report would be finalised around February next year. It was stressed that assessing the impact of levelling up initiatives should be on a cumulative basis.
- (viii) The focus had now moved to certain cohorts of people in need across the county. Levelling up was not just about specific places. Some examples of work being done for each cohort were highlighted. There were early indications that levels of school readiness and literacy were showing some improvement. There was ongoing work with partners to improve recruitment and retention in the Early Years workforce.
- (ix) Community supermarkets had been launched and it was intended to have at least one in every district area by year end.
- (x) The Multi-Disciplinary Team pilot project in Tendring had placed some additional support in certain areas particularly where intergenerational dependency was being seen. There was now some consideration being given to a possible second pilot project on Canvey Island and then a future assessment as to the extent such projects could be further spread across the county.
- (xi) Some examples were given of work to support those not in education, employment or training (NEETs). Programmes were operating with some local businesses to help support those struggling with their mental health and/or with special educational needs and disabilities into employment.
- (xii) Further devolution might enable more targeted funding for training to align with the specific requirements of local businesses. Apprenticeships could be supported through specific technical colleges with the college near to Stansted

Airport and the new provision at Harlow (which was primarily focussed on training to service electric vehicles) highlighted as examples. The challenges facing, and greater support needed for, rural businesses were also highlighted.

- (xiii) The Green Entrepreneurs Programme provided six weeks of fully funded workshops and at the end of the programme participants could pitch ideas for funding.

### Conclusion

It was agreed to provide further information on:

- (i) The County Council's direct GHG emissions as figures for CO2 carbon monoxide emissions did not seem to have reduced as much as could be expected. This should include the extent of using more electric and hybrid vehicles as part of the vehicle fleet and whether the County Council was having to wait until car leases expired before being able to make changes. The impact of the roll-out of LED street-lights programme should also be further clarified.
- (ii) The work of the Business Essex Board and support provided especially for apprenticeships and recruitment and where the support activities are based across the county.
- (iii) The numbers waiting for more than 28 days for assessment.

The contributors were thanked by the Chairman for their attendance and then left the meeting.

## **7. Work programme**

The Committee considered and noted report CPSC/22/23 which comprised the current work programme for the Committee. It was further noted that the timing for the first scrutiny discussion on any Government announcement of devolution proposals for Essex was still to be confirmed.

### **Urgent Business**

No items were raised.

The Chairman then closed the meeting at 3.20pm

**Chairman**