

**MINUTES OF A MEETING OF THE EXECUTIVE SCRUTINY COMMITTEE
HELD AT COUNTY HALL, CHELMSFORD ON 23 JUNE 2011****Membership**

G Butland	*	M J Page
* W J C Dick	*	J W Pike
* N Edey	*	Mrs I Pummell
* M C M Lager (Vice-Chairman)		J Roberts
* Mrs T Higgins (Substitute for T C Smith-Hughes)		A Turrell
* M J Mackrory	*	R Walters (Substitute for Mrs V Metcalf)
* S Mayzes	*	Mrs M Webster (Substitute for A M Hedley)
G L Mitchinson	*	J A Young (Vice-Chairman in the Chair)

(* present)

The following officers were present in support throughout the meeting:

Mrs Hannah Cleary, Governance Officer
Mrs Vivien Door, Committee Officer

Councillor Julie Young in the Chair**47. Apologies for Absence**

Apologies were received from the following Members:

Apologies

Mrs V Metcalfe
A M Hedley
T C Smith-Hughes
A Turrell
G L Mitchinson
G Butland
J Roberts

Substitutions

R Walters
Mrs M Webster
Mrs T Higgins

The Committee conveyed its good wishes and hoped that Councillor Smith-Hughes had a speedy recovery.

48. Declarations of Interest

The following Declarations of Interest were reported:

M C M Lager	Personal Interest as an occasional Assessor for Member Development Charter
Mrs T Higgins	Personal Interest as an occasional Assessor for Member

J A Young Development Charter
Personal Interest as an occasional Assessor for Member
Development Charter

49. Minutes

The minutes of the meeting held on 24 May 2011 were approved as a correct record and signed by the Chairman.

50. 2010/11 Provisional Outturn Report

The Committee considered report, ES/034/11, and Appendix. Councillor Finch, Deputy Leader and Cabinet Member for Finance and the Transformation Programme, and Mr Peter Lewis, Interim Assistant Director, Financial Strategy were in attendance.

Councillor Finch introduced the report and explained that the Council was in a good overall budget position, despite experiencing a £14.291 million grant reduction, and had managed to make savings of £16.934 million on the Revenue Budget and an underspend of £2.535 million against the approved Capital Payments Guidelines. Whilst there would likely be pressures due to demographics and other factors, Councillor Finch was confident the finances would be well managed. Any requests by Directorates to carry forward underspends would be subject to rigorous business plan applications that would require approval by Councillor Finch.

Councillor Lager welcomed the report, and thanked the Cabinet Member and Interim Assistant Director for producing the reconciliatory appendix report, that showed there had been a difference in treatment between the third and fourth quarters of 2010/11.

Councillor Lager asked if future outturn reports could demonstrate how the Council's spending related to the public's priorities, although he recognised that this was complex due to spends attributed to individual Cabinet portfolios; and also the progress against the £300 million Transformation Programme savings target. Councillor Finch explained that the public's priorities were considered throughout the budget setting process, and whilst financial information was reported against Cabinet portfolios it was implicit that expenditure could be traced back to priorities. Councillor Finch had already examined the potential to provide a report of such nature, but it had proved complex and not cost effective. He added that the Committee may wish to consider inviting other Cabinet Members to attend future meetings to clarify spending priorities within their own portfolios. Councillor Finch **agreed** to provide details of the Transformation Programme projects and savings at a future meeting. Mr Lewis added that all savings, whether realised through Transformation Programme projects or other efficiencies were being tracked to ensure Directorates kept to their budgets and made savings.

Councillor Pummell asked about the increase of £209,000 and decrease of £138,000 in relation to Children's Centres set out on pages 15 and 16 of the

report. Mr Lewis explained these figures showed adjustments due to the different sources of financing for school access improvements and other capital programmes.

Councillor Mayzes asked about the increase in the general reserve to £43 million. Councillor Finch explained that the general reserve was set in line with CIPFA regulations and in correlation with assessment of risks. The Section 151 Officer had advised that the general reserve be increased to £43 million based on the assessed risks the Council may encounter in the future. Mr Lewis added that general reserves should total 5% of the overall revenue budget. The £43 million general reserve, coupled with the £8 million contingency fund met this target.

Councillor Walters asked about the debts amounting to £115,000, deemed as irrecoverable, that were being written off. Councillor Finch responded that whilst he would rather not write off any debts, the figure was low in relation to the number of transactions the Council undertakes every year. The resources used to recover these debts could outweigh the return, and thus could be used more effectively.

Councillor Higgins asked about the purpose of the Retail Enterprise Fund as detailed on page 25 of the report, and if it specifically related to the Post Office initiative. She also asked about the underspend in respect of the Highways Directorate, and whether any of this funding would be used for potholes. Mr Lewis explained that the funding supported business regeneration and was not specifically for the Post Office initiative. The Council had received a £5 million grant from the government to address pot holes, and this was being managed prudently.

Councillor Mackrory asked about the £395,000 underspend in relation to the Communications and customer relations budget set out on page 11 of the report. Councillor Finch explained that any underspend that was not approved for carry forward would be returned to the general balance.

Councillor Dick congratulated the Cabinet Member and officers for providing the extra detail the Committee had requested, and for managing the Council's finances effectively.

Councillor Young asked how Members could lobby for funding for local projects, particularly when some services had an underspend. Councillor Finch suggested that Members should write to him to request investment in their local areas, that could then be discussed with the relevant portfolio holder.

Councillor Young thanked Councillor David Finch and Mr Peter Lewis for attending.

51. EssexWorks Corporate Vision Refresh Scrutiny Review

The Committee received report ES/035/11 and a presentation from Mr Richard Puleston, Assistant Chief Executive. Councillor Finch, Deputy Leader and Cabinet Member for Finance and the Transformation Programme was in attendance on behalf of the Leader, Councillor Peter Martin.

On 11 May 2011, Councillor Martin, Leader of Essex County Council announced that a review and refresh of the Essex Works corporate vision would be undertaken by a small project team, engaging Members, staff, residents and partners.

The current vision - Essex Works was launched in 2008 as a four-year programme and reaches the end of this cycle in 2012. The scope of the review is to define a new vision for Essex County Council, which will underpin future activity for the four years from 2012/13 to 2015/16.

It was important to ensure that the vision recognised the financial climate and affordability of attainments to ensure the vision remained realistic. The Council was consulting with Members, staff, external partners, the public and young people, with workshops taking place across Essex. A session for Members was taking place after the Full Council meeting on 12 July, and it was envisaged that the new vision would be presented to Full Council in February 2012.

Councillor Pike asked if an equality and diversity assessment had been included. Other Members endorsed his view and agreed that hard to reach groups should be included in the consultation, for example, Children Looked After, children and adults with disabilities, voluntary groups. Advice should also be taken on the way that the document was presented to ensure inclusivity. Mr Puleston agreed to include the hard to reach groups in the consultation. He informed the Committee that officers were looking at other vision statements for best practice.

Councillor Walters asked how the consultation would address the financial climate and potential for the Council that it may not always be able to meet public expectations. Mr Puleston explained that this message would be included at the stakeholder workshops.

Councillor Mayzes expressed concern that returns from consultations were low and not representative, and that it was important to be realistic about the vision for deprived areas of the County. Mr Puleston explained that a qualitative rather than quantitative approach was being taken to the gathering of information. The consultation and focus groups would yield useful information for the Council.

Councillor Lager asked whether the plan was for Essex or Essex County Council, as he felt that the vision would be harder to deliver in isolation and in absence of partners such as the NHS. Mr Puleston explained the initial view was to identify the future trends for Essex and how the Council will respond to those trends including input from partners.

The Committee **agreed** that it supported the consultation process for refreshing the corporate vision, and that a final draft would be brought to its meeting on 29 November.

Councillor Young thanked Councillor David Finch and Mr Richard Puleston for attending.

52. 2011/12 Budget – Public Consultation Responses

The Committee considered ES/036/11 by Mr Duncan Wood, Head of Research and Intelligence who was in attendance to introduce the report and answer questions.

The two main purposes of the consultation had been to explore the public's budget priorities and to inform them about the Council's budget through the Essex Works magazine which 80 per cent of Essex households receive. An interactive Budget Setting Tool had been made available on the Council's internet site so that residents could see how their decisions impacted on services. The Committee was interested to learn that the Council surveys a sample of residents to discover if they have received the Essex Works magazine. Mr Wood **agreed** to provide this information to the Committee by email.

It had been recognised that some of the questions in the survey could have been clearer, and these lessons learned will be reflected in future consultation exercises. The consultation had cost £5.62 per resident view in comparison with previous consultations that had cost £15.00 per resident view collected.

Councillor Mayzes asked if there was a list that detailed the statutory and non-statutory consultations undertaken by the Council. Mr Wood **agreed** to provide this information to the Committee by email.

Councillor Young thanked Mr Duncan Wood for his attendance.

53. Transformation Programme Scrutiny Review: Risk Management and Governance Report

The Committee **agreed** report ES/037/11 by the Governance Officer.

Councillor Young thanked Hannah Cleary for her report.

54. Transformation Programme Scrutiny Review: Work undertaken by other Policy and Scrutiny Committees

The Committee **noted** report ES/038/11 by the Governance Officer.

55. Forward Look and Draft Scoping Documents

The Committee considered and **agreed** report ES/040/11, setting out the Committee's proposed future work programme.

The Committee **agreed** report ES/041/11 subject to amending the scope of the review to include the taking of evidence from officers who undertake the Equality Impact Assessments.

The Committee **agreed** report ES/042/11 subject to amending the scope of the review to include the taking of evidence from staff affected by the changes introduced by New Ways of Working and Business Support Review.

The Committee **agreed** reports ES/043/11, ES/044/11 and ES/045/11.

56. Date and time of next and future meetings

The Committee noted that the next ordinary meeting was scheduled for Tuesday, 19 July 2011, at 11.00 am, or at the rise of Cabinet if later than 11.00 am in Committee Room 2.

There being no urgent business the meeting closed at 11.45 am.

Chairman
19 July 2011