

MINUTES OF A MEETING OF THE CORPORATE SCRUTINY COMMITTEE HELD AT COUNTY HALL, CHELMSFORD AT 10 AM ON 28 JANUARY 2014

Present

J Young (Chairman)	J Knapman
W Archibald	M Mackrory (Vice Chairman)
S Barker	V Metcalfe
M Buckley (Vice Chairman)	P Oxley
G Butland	M Page
J Deakin	J Pike
J Huntman	C Seagers

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

Robert Fox	Scrutiny Officer
Graham Hughes	Committee Officer

The Chairman welcomed Councillors J Huntman and J Knapman to their first meeting (replacing Councillors R Lord and R Hirst respectively).

1. Apologies for Absence and Substitutions

No apologies for absence had been submitted..

2. Declarations of Interest

The following declarations were made:

Councillor G Butland	Essex County Council representative Governor on the North Essex Partnership Foundation Trust.
Councillor J Knapman	Chairman of Local Highways Panel
Councillor C Seagers	Chairman of Rochford Local Highways Panel

No other declarations of interest were made.

3(i). Minutes

The minutes of the meeting held on 26 November 2013, were approved as a true record and signed by the Chairman.

3(ii) Matters Arising

- (i) The Chairman had received confirmation from the Cabinet Member for Education and Lifelong Learning that all schools, governors and youth organisations had been included in the consultation on youth services;
- (ii) A report for the John Ray Infant School rebuild would be prepared following publication of the Fire Authority Report of the Incident;
- (iii) An External Transformation update presentation had been included in the agenda papers for further information. Members suggested that it would be useful to receive subsequent updates of this presentation. Members

questioned whether there were further opportunities to increase efficiencies and income generation. The Leader and Cabinet Member for Finance, who was present for the subsequent agenda items, confirmed that the County Council was continually looking at new ways of working so as to still provide services but at a reduced cost. It was confirmed that 16% efficiency savings in mental health had been agreed with the two Partnership Trusts covering Essex although this could be offset by demographic growth and increased usage rates.

4. Revenue and Capital Budgets 2014/15 and Medium Term Resource Strategy

The Committee considered report CSC/02/14 on the Revenue and Capital Budgets 2014/15 and Medium Term Resource Strategy which had been reviewed and agreed at Cabinet on 21 January 2014. The Leader and Cabinet Member for Finance and Nicole Wood, Director for Financial Services, joined the meeting for this and the subsequent two items.

Members questioned the current process and, although mindful of often tight deadlines, suggested there would be more value in the Committee being consulted before the Revenue and Capital Budgets and the Medium Term Resource strategy had been approved. The Leader and Cabinet Member for Finance advised that the budgetary figures were still subject to change before being submitted to Full Council as the County Council were awaiting returns from districts on Council Tax collection rates. Some members suggested a review of the collection rates of each district and it was **agreed** that the Scrutiny Board would be requested to determine the most appropriate scrutiny committee to conduct such a review.

The report was **noted**.

5. 2013/14 Financial Review as at the Third Quarter Stage

The Committee considered report CSC/03/14 which reported on the forecast financial position of the County Council for 2013/14, based upon the position at the third quarter.

The current revenue outturn forecast was an unadjusted underspend of £15.1 million as compared to £7.0 million at the half year position. The major movements from the half term position related to the Public Health and Wellbeing, Adult Social Care, Education and Lifelong Learning and Transformation and Corporate Services portfolios. The adjusted figure (after technical adjustments to reserves) was an underspend of £2 million.

During discussion the following were highlighted and/or discussed:

- (a) Revenue

- (i) The 2014/15 risks and commitments proposed to be funded if needed from 2013/14 underspends, fell into three distinct areas, which would form distinct earmarked reserves:
 - The Community Resilience Reserve (£1 million) would be part of Community Budgets and fund the creation of stronger and resilient communities, supported by a vibrant voluntary and community sector;
 - Consultation Reserve (£5.9 million) –due to the number of public consultations in progress or planned this reserve provided flexibility in light of the consultations.
 - The Economic Growth Strategy Reserve (£3 million) would be a one-off spend in 2014/15 to encourage businesses to create new jobs and invest in skills and apprenticeships.
 - (ii) The business support and administration teams sitting within the Education and Lifelong Learning portfolio had a large number of vacancies which had contributed to an underspend;
 - (iii) The Cabinet Member for Education and Lifelong Learning would be asked to provide a report on the youth service once proposals had been finalised as a result of the recent public consultation exercise;
 - (iv) Members encouraged that the Economic Growth Strategy Reserve should be targeted at small companies. The Cabinet Member confirmed that the County Council worked closely with the Chamber of Commerce and the Federation of Small Businesses. In addition, the Skills Board had been established with membership drawn from a wide mix of employer organisations. The Procurement Task and Finish Group report would also be encouraging engagement with SMEs;
 - (v) Drawdowns from the Redundancy Reserve could only be used for specific known redundancies. Drawdowns could not be held for any other reason nor held unallocated indefinitely;
 - (vi) The Leader and Cabinet Member for Finance was disappointed that most Essex local authorities did not, in the end, intend to launch the Local Authority Mortgage Scheme for their residents;
 - (vii) The County Council would continue to be prudent in setting its reserves and that they would not be sacrificed for short-term gain;
- (b) Capital
- (i) An underspend of £11.2 million on Highways and Transportation (excluding Major Schemes) was forecast. This was predominantly due to Local Highways Panels (with £6 million to be re-profiled). Members sought assurance that the capacity and resourcing issues that had been identified (in processing schemes recommended by Local Highways Panels) would not be repeated again next year. The Leader and Cabinet Member for Finance was not expecting delays on the same scale again but referred members to the Cabinet Member for Highways and Transportation for any further information and re-assurances on this matter;
 - (ii) An underspend of £3.1 million on Highways Major Schemes was forecast;

- (iii) Capital receipts received to date in 2013/14 totalled £16.2 million of which £1.5 million related to a debtor which was accounted for in 2012/13. Further information would be provided to members.

Thereafter the report was **noted**.

6. Corporate Plan Progress Report: Q3 2013/14

The Committee considered report CSC/04/14 which provided detail of the available data for each of the indicators within the 2012-17 Corporate Plan, highlighting where new data had recently become available.

During discussion the following were highlighted and/or discussed:

- (i) The target for 16-19 year olds not in education, employment or training was not being met although there was an improvement compared to the previous year's performance;
- (ii) The punctuality of non-frequent bus services had improved although it was acknowledged that historically this measure was significantly higher in the first survey of the year in any case. Discussions would be held with bus providers to further improve bus timetables, particularly in rural areas. However, members were sceptical of the leverage that the County Council could exert unless the services were being subsidised;
- (iii) Sample testing of the Rights of Way and Footpaths network were undertaken in May and November each year;
- (iv) Priority in funding for A and B classified roads (which carried 85% of traffic) would continue. There had been a 5% decline in the condition of other roads. It was highlighted that adverse weather conditions often delayed the repair of roads. In addition, it was acknowledged that communication and management of expectations could be improved. The use of estate roads by developers and whether this could be minimised through the planning approval process was queried by members. In addition, repeated, and often poor quality, work on highways by statutory undertakers, was also highlighted. The Leader and Cabinet Member for Finance stressed that he believed that the prioritisation of investment for A and B classified roads, as part of the Economic Growth Strategy for the county, had been correct. Essex A and B roads were in the Upper Quartile of roads nationally;
- (v) Members queried whether some of the major contracts operated on a 24 hours a day basis;
- (vi) Members highlighted that the Highways reporting system seemed to only hold reported incidences for a short period of time and often required an incident to be re-reported to remain on the system. Traffic light faults could not be reported on the system and this concern would be referred to the Cabinet Member for Highways and Transportation;

Thereafter, the report was **noted**.

7. Change to order of business

The Chairman proposed, and it was **agreed**, that a further report (CSC/06/14) on the County Council's Corporate Outcomes Framework 2014-18 be taken as an urgent additional item of business.

8. ECC Corporate Outcomes Framework 2014-18

The Committee considered report CSC/06/14 outlining a new Corporate Outcomes Framework to support the Vision for Essex adopted by the County Council in July 2013. Alastair Gordon, Head of Policy and Strategy (Place), joined the meeting to introduce and supplement the report.

The Outcomes Framework translated the Council's vision into a single set of outcomes that reflected the County Councils' aspirations for Essex residents and communities, which would be used to guide activity in the short, medium and long term and provided specific indicators to use to track progress. It was acknowledged that there would be crossover between some indicators and outcomes with, for example, some desired educational outcomes also affecting health outcomes.

The next phase of the development of the Outcomes Framework would be to set out the actions that ECC would undertake to secure progress towards the outcomes and to develop a view on what would constitute good progress. It was confirmed that the Framework had been co-developed with commissioners and that commissioners should already be factoring it into their commissioning deliberations, although the document remained a draft at this stage. The Scrutiny Board would be reviewing the Outcomes Framework the following week and considering appropriate future scrutiny arrangements.

The report was **noted**.

9. Work Programme

The Committee considered and **Agreed** the Forward Look/Work Programme 2013/14 (CSS/05/14) subject to the report of the Procurement Task and Finish Group being added to the business for the next meeting.

It was **agreed** that the following be referred to the Scrutiny Board:

- District and Borough Council Collection rates for Council Tax;
- Local Highways Panels and road repairs.

10. Date of Next Meeting

The next meeting would be held on the rise of Cabinet on Tuesday 25 February 2014 in Committee Room 2 [subsequently re-arranged to be convened at 2pm on the same day]

There being no urgent business the meeting closed at 11.28 am.

Chairman

25 February 2014