

MINUTES OF A MEETING OF THE CORPORATE SCRUTINY COMMITTEE HELD AT COUNTY HALL, CHELMSFORD AT 11AM ON 25 JUNE 2013

Present

J Young (Chairman)
W Archibald
S Barker
M Buckley
R Hirst
R Lord
M Mackrory

Mrs V Metcalfe
P Oxley
M Page
J Pike
C Seagers
A Turrell (substitute)

Also in attendance were Councillor D Finch, Leader and Cabinet Member for Finance, Christine Golding, Head of Financial Compliance, and Anna Casbolt, Senior Financial Analyst.

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 J Deakin, (for whom Councillor A Turrell substituted).

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 Mackrory (proposed by Councillor Turrell and seconded by Councillor Oxley):

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

4. Minutes

The minutes of the special meeting held on 10 June 2013, and the minutes of the meeting of the Executive Scrutiny Committee (as the Committee was then called) held on 23 April 2013 were approved as a true record and signed by the Chairman.

5. Vision for Essex

The Committee considered a report (CSS/03/13) on the County Council's Vision Statement 2013-17. Councillor Finch, the Leader and Cabinet Member for Finance, was present to introduce the item and to answer questions.

Councillor Finch advised that the new County Council term gave an opportunity to reflect on the unprecedented challenges facing the County Council. Councillor Finch stressed the need for innovation as the means for securing the future and ensuring that the County Council used its resources in the most efficient manner.

In terms of innovation Councillor Finch highlighted the significant investments being made by the County Council including the roll-out of broadband coverage in the county so that 95% of the Essex population should be covered by at least a 2mb download speed by 2015 (with urban areas having an even faster speed), use of wi-fi in libraries, the use of Radio frequency I.D. for logging books in and out in Essex libraries and the roll-out of new laptops to employees to facilitate mobile and flexible working. The tender process for the award of the broadband contract would start in July 2013 and the Chairman suggested that the development of comprehensive broadband coverage throughout Essex may be a future area for scrutiny.

Councillor Finch highlighted that the County Council had already seen a successful transformation saving of £365 million but with new financial pressures, a further £215 million of savings were now required.

During subsequent discussion the following issues were highlighted, raised and/or discussed:

- (i) Some members suggested that there would be staffing and other resource implications arising directly from the Vision Statement and asked that the Leader reconsider the wording in Paragraph 7.1 of the covering paper prior to submission to Full Council;
- (ii) Some members suggested that the reference to social, economic and cultural success depending on individuals, families, businesses and local communities in the Foreword should also include reference to the contribution made by employees;
- (iii) Councillor Finch expected the impact on the County Council of announcements in the Comprehensive Spending review the following day to be consistent with the County Council's expectation that it needed to find a further £215 million of savings;
- (iv) Some members suggested that the Vision should be clearer in encouraging community resilience irrespective of financial austerity. It was suggested that a culture of dependency had been fostered in the past.
- (v) In encouraging greater community resilience some members questioned whether the County Council had been consulting with those communities that already displayed such resilience. Some members cautioned that not all local communities would be able to respond to the call to increase their resilience;
- (vi) Voluntary sector organisations needed some degree of certainty for hiring of staffing and the award of short term contracts did not facilitate that.

- Whilst acknowledging this, Councillor Finch also stressed that voluntary organisations should have diversified funding sources, not being solely dependent on County Council funding, and that the County Council's commissioning would be on the basis of achieving specified outcomes;
- (vii) During the development of Community Budgets, multi-agency working processes were being established. Members highlighted some areas of duplication of services that could be eradicated during the development of Community Budgets. Councillor Finch would be addressing the Local Government Association the following week on the development of Community Budgets in Essex;
 - (viii) Councillor Finch was unaware of any further announcements on the central government funding of Complex families other than that already announced;
 - (ix) The County Council was responding to the preference expressed by many people for supported living at home by increasing the provision of assistive technology.

6. 2012/13 Provisional Outturn Report

The Committee considered the Provisional Outturn Report (CSS/04/13). Councillor Finch, the Leader and Cabinet Member for Finance, Christine Golding, Head of Financial Compliance and Anna Casbolt, Senior Financial Analyst, were present to introduce the item and answer questions.

Thereafter, the following were highlighted and/or discussed:

- (i) Members were reassured by Councillor Finch that the financial revenue projections for the Building Schools for the Future PFI reserve, and the Clacton Secondary Schools PFI reserve were robust despite the need to withdraw £896,000 and £55,000 from the respective reserves for each to partly mitigate the revenue costs of these schemes;
- (ii) The capital underspend for Local Authority Controlled schemes in Education and Lifelong Learning was partially a result of adverse weather conditions and was also dependent on the successful tenderers own lead-in timelines to commence the contracts. Capital underspends were continually monitored;
- (iii) No new loans were secured from the Public Works Loans Board during the year as the County Council were using its cash balances to defer further external borrowing and this action had been calculated as saving the County Council approximately £11m. As a result, the pool rate of interest on long term loans had remained static at 4.26%.
- (iv) A significant part of the overspend in Care and Support was due to a higher than expected number of clients with physical or sensory impairment receiving personal budgets, as part of a policy to empower clients to source their own care. Constant adjustments would be made to forecasts to reflect changes in population demographics. Certain audit and control aspects of personal budgets had already been reviewed by the Community and Older People Policy and Scrutiny Committee as a result of an Internal Audit report. It was agreed that the Chairman would

- raise the issue at Scrutiny Board to determine if a further scrutiny was necessary;
- (v) There were proposals to move to just one Coroner's service across the county (currently two). Whilst there was a £247,000 overspend related to higher contract payments, more rigorous processes were being implemented to reduce the time for completion of most inquests in future. The Place Services and Economic Growth Scrutiny Committee would be conducting a scrutiny of the service in the near future;
 - (vi) There had been recent media reporting of significant outstanding and uncollected library fines and Councillor Finch agreed to investigate further and to report back to the Committee;
 - (vii) Some Highways Panels had significant capital underspends. Councillor Finch also acknowledged that, due to the time taken to establish some of the local Panels, a backlog had also developed for projects that had been subsequently approved due to a large number being submitted at the same time and there being limited design capacity within the Highways directorate;
 - (viii) The Chairman would consult the Scrutiny Board on a possible future scrutiny of Local Highways Panels;
 - (ix) An additional £11m had been allocated in the Highways budget for pot hole repairs with a further sum also set aside for the next year. Councillor Finch stressed that the situation was exacerbated by rural roads which did not have an effective sub-structure. The Cabinet Member would be reviewing the repair process to identify faster and better ways to undertake the work;
 - (x) The Big Society Fund was dependent on acceptable business cases being submitted. The current underspend of £705,000 would be carried forward into the 2013/14 budget;
 - (xi) Some Members suggested that the amounts left unspent from budget underspends could be targeted for use to invigorate the local economy.

Councillor Finch and the supporting officers were thanked for their attendance and they then left the meeting.

7. Work Programme

The Committee considered and **Agreed** the Forward Look/Work Programme 2013/14 (CSS/05/13) subject to the following:

- (i) Public Engagement Programme to be added as an item for the July 2013 meeting;
- (ii) Customer Satisfaction, Complaints and Public Relations would be considered in September 2013;

A Task and Finish Group would be established for the scrutiny of Procurement Strategy and members were asked to notify the Scrutiny Officer if they wished to serve on the Group.

8. Date of Next Meeting

The next meeting would be held at 10am on Tuesday 23 July 2013 in Committee Room 2.

There being no urgent business the meeting closed at 12.16 pm.

Chairman