

		AGENDA ITEM 6
		ES/010/12
Committee:	Executive Scrutiny Committee	
Date:	30 May 2012	
<u>WORK PROGRAMME FOR DISCUSSION</u>		
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Purpose of Report

This report is a discussion document for the Executive Scrutiny Committee to consider. It outlines potential items the Committee might consider for scrutiny review for the period June 2012 – April 2013. Members may wish to propose further items for urgent consideration. The report follows a wider paper presented to the former Chairman of the Executive Scrutiny Committee, Councillor Tom Smith-Hughes together with Vice-Chairman, Councillor Julie Young and former Vice-Chairman, Councillor Michael Lager in February 2012. The items indicated below were considered worthy of further consideration by the then Chairman and Vice-Chairman, and are presented below for discussion. The items should be considered alongside the Forward Look presented to the 30 May 2012 Executive Scrutiny Committee meeting which consist, largely, of standing items.

Potential Work Programme for the Executive Scrutiny Committee (June 2012 – April 2013)

Procurement Strategy

To ensure the existing strategy is ensuring the procurement of cost-effective, high quality services for the residents of Essex. The Foreword to the current ECC Procurement Strategy 2011/12 – 2013/14 states “a key element of the Council’s Transformation Programme is the development of a new operating model which moves the Council to a customer first commissioning organisation with procuremet at the heart of that model”. The first question the Committee might wish to ask is how this has been working in practice; and the socio-economic impacts on the county of the strategy?

The Foreword continues “the delivery of the Strategy will ensure the organisation benefits from value for money, probity, professional management of suppliers, strong

customer focus and successful delivery of the Council's Transformation Programme". Given the Authority has recently signed high-profile agreements the Committee may wish to review how these procurements delivered value for money, probity etc.?

The Executive Summary to the Strategy states "the strategy will be subject to regular review to track progress". Additionally paragraph 7.4 of the Strategy outlines the roles of Members in relation it: Members should "monitor and review the performance of procurement". As the Procurement Strategy will be reviewed and revised in September 2013 it is recommended the Executive Scrutiny Committee commence such a review.

Fixed Assets Register

A project dealing with the Fixed Assets Register was completed in early 2010. Fixed asset is a term used in accountancy for assets and property that cannot easily be converted into cash, such as roads, schools, offices/buildings. Following changes in finance regulations, ECC now has to account for separate elements of an asset, for example the roof of a building, the width and length of a road.

A new software tool was implemented for account fixed assets, called the Fixed Asset Register, which supports the preparation of the annual statement of accounts. The project planned to roll this across Finance to enable individuals to feed data into the new system themselves, thus creating a more efficient process. The Committee might wish to consider this as a separate entity or receive as part of a wider review of the Property Strategy as per the Forward Look.

The Changing Pattern of Finance within Local Government

How does the Local Government Finance Bill affect Essex County Council? What approach is the County taking to the changes? Areas which might be considered as part of a review include:

The Community Infrastructure Levy – a new levy that local authorities in England and Wales can choose to charge on new developments in their area. The money can be used to support development by funding infrastructure that the council, local community and neighbourhoods want - for example new or safer road schemes, park improvements or a new health centre. The system is very simple. It applies to most new buildings and charges are based on the size and type of the new development. It initially came into force on 6 April 2011 and the regulations have been amended to ensure Local Authorities have more control over the processes for operating the levy by removing the centrally prescribed arrangements for payment, removing the threshold for in kind payments of land, making minor amendments to close potential loopholes and improve how the levy system works.

Business Improvement Districts (BIDs) – a partnership between a Local Authority and the local business community to develop projects and services that will benefit the trading environment within the boundary of a clearly defined commercial area. There are currently no BIDs situated in Essex but over 140 have been established across England, Wales and Scotland. Most BIDs are currently in town centres, however some have been established in industrial estates. It is expected there will be expansion in non-town centre BIDs.

Localism Benefits – How do the changes to Local Government Finance affect and relate to the localism agenda?

National Non-Domestic Rates (NNDR) – Business Rates, or National Non-Domestic Rates (NNDR), are collected from businesses by councils, pooled by central government and redistributed to councils on a formula basis. NNDR money combines with the Revenue Support Grant (RSG) and council tax to make up local government funding.

Tax Increment Financing (TIFs) – a public financing method used for redevelopment, infrastructure and community improvement projects.

It is suggested that a presentation from the Finance Directorate be given in June or July 2012 to introduce the changes prior to any review.

Developing the Localism Agenda

There are various strands related to the Localism Agenda, including, amongst other things the Big Society Revenue and Capital Fund, the ECC Petitions Policy, the elected Member as a Community leader, the General Power of Competence and communities being given the right to run services.

The Committee might wish to consider receiving an update from the Cabinet Member on the Big Society Revenue and Capital Fund. Members from the urban areas may wish to see how societies in their divisions have engaged with the fund, given there is no Parish or Town Council involvement? How will/have funds against the two strands (Community Capital and Community Response) been distributed?

The ECC Petitions Policy has been in operation since October 2010 and the Committee might wish to review the first two years. To date, only two petitions have received enough signatories to necessitate consideration by a Policy and Scrutiny Committee. The Committee may wish to review the current thresholds.

Health & Safety at Work

This might include an assessment of whether the County Council fulfils its Health & Safety legislative requirements in a review which would look at the approach the Authority takes to Health & Safety. Is the Authority fully compliant with relevant legislation?

The Committee is requested to agree some or all of the scrutiny reviews highlighted above, plus any others Members might suggest. Scoping documents will be drafted and agreed at the June meeting of the Executive Scrutiny Committee for any of the reviews agreed.

POTENTIAL ITEMS FOR CONSIDERATION BY THE EXECUTIVE SCRUTINY COMMITTEE

EXECUTIVE SCRUTINY COMMITTEE: WEDNESDAY, 30 MAY 2012

TOPIC	OBJECTIVE	WHEN
Procurement Strategy	To ensure the existing strategy is ensuring the procurement of cost-effective, high quality services for the people of Essex. Any new strategy should be considered by Executive Scrutiny Committee – current strategy runs to 2013/14 (commenced 2011/12). Maybe include a look at the use of consultants?	LINKS WITH THE COMMISSIONING STRATEGY. POTENTIALLY TO COMMITTEE IN JULY 2012
Health & Safety at Work	To review the Authority's approach to Health and Safety, including an assessment of whether this fulfils Health and Safety legislative requirements. How is the Authority compliant with Health & Safety legislation?	NEED TO ENSURE THAT H&S POLICIES ARE BEING UPDATED. POTENTIALLY TO COMMITTEE AUTUMN 2012.
Developing the Localism Agenda:	Petitions Policy in operation since October 2010 – two year overview of petitions received to date and follow-up actions following receipt of petitions (only 2 to date have appeared before Committee). Maybe consideration of amending thresholds? An update on the Big Society Funds and how they have been distributed in Essex	TIMESCALE FOR BIG SOCIETY FUNDS REGISTER OF INTEREST IS AUGUST 2012 – SO POTENTIALLY TO COMMITTEE IN OCTOBER 2012 ALONGSIDE THE TWO YEAR REVIEW OF THE PETITIONS POLICY
Olympics/Paralympics Review	How Essex responded to the Olympics/Paralympics. The positives and negatives etc.	REQUEST THAT SCRUTINY BOARD CONSIDERS WHERE THIS MOST APPROPRIATELY SITS

Fixed Assets Register	There was a project looking at this which was due to end in the early part of 2010 , therefore, need a review on the fixed assets and any challenges	PROBABLY AS PART OF THE PROPERTY STRATEGY REPORT TO BE RECEIVED IN OCTOBER 2012?
The Changing Pattern of Finance within Local Government	A presentation on the effects the Local Government Finance Bill may have on Essex County Council – what is the approach of ECC? The second reading passed on 10 January 2012. Areas to consider: Community Infrastructure Levy, Business Improvement Districts, Localism Benefits, National Non-Domestic Rates (NNDR), TIFs	POSSIBLY TO EXECUTIVE SCRUTINY IN JUNE/JULY 2012?