

**MINUTES OF A MEETING OF THE EXECUTIVE SCRUTINY COMMITTEE
HELD AT COUNTY HALL, CHELMSFORD ON 3 APRIL 2012**

Membership

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

(* present)

The following officers were present in support throughout the meeting:

Vivien Door, Committee Officer
Robert Fox, Governance Officer

10. Apologies for Absence

Apologies were received from the following Members:

Apologies	Substitutions
T C Smith-Hughes	T Higgins
A Turrell	M Mackrory
M Page	G McEwen

Councillor R Walters was unable to attend.

The Committee wished Councillor Smith-Hughes a speedy recovery.

11. Declarations of Interest

There were no Declarations of Interest reported.

12. Minutes

The minutes of the meeting held on 31 January 2012 were approved as a correct record and signed by the Chairman with the following amendments:

- Minute 5, The EssexWorks Corporate Plan 2012/17, Revenue and Capital Budgets 2012/13 and Medium Term Resources Strategy, the

first bullet point on page 4 should read "...and how this affects services..."

- Minute 7, The Essex Coroner's Service, fourth bullet point should read "... costs vary between £250,000 and £300,000 annually ..."

13. Update on progress towards delivery of the Performance and Outcomes Reporting arrangements 2012/13

The Committee considered the report (ES/006/12) presented by Councillor David Finch, Deputy Leader of the Council and Cabinet Member for Finance and Transformation Programme and highlighted the Recommendations as set out on page 1 of the report.

During the discussion the following points were made:

- The report had been agreed at Cabinet;
- The term Targets should be replaced with Service Standards and Outcome Measures;
- In 1.1.3 statistics, since 2006/7 the percentage of Essex pupils achieving 5+ A*-C GCSE (including equivalent qualifications) has tracked above the England average. The inclusion of a wide range of International GCSEs (iGCSEs) for the first time in 2010/11 meant that the England average (58.9%) rose above the Essex average (58.2%). This is largely due to the volume of iGCSEs taken in independent schools. If iGCSEs were discounted, the England average would have been 56.1% therefore, still remaining below that of Essex;
- Members were very concerned regarding the low education attainment information in the report and suggested that it should monitor the data at future meetings;
- Members felt that the low education attainment figures linked into Priority 2, Supporting Business: in that young people with low education attainment would not bode well in the job market. Essex's young people would need to compete for employment with employees from the European Union;
- Members suggested that there was a large gap between the County's Grammar Schools and poor performing schools. Members suggested investigating the recent Kent model to extend Grammar schools. Councillor Finch informed the Committee that the Cabinet Member for Education and the 2012 Games was working closely with the Government and Kent and other bodies to improve education attainment;
- Some districts had few schools which provided Post 16 Education;
- Members were concerned that as more schools become Academies the Local Education Authority would have less influence;
- Members were concerned that fewer young people were staying on for Post 16 Education;
- The statement regarding attainment levels in Key Stages in English and Maths requires to be re-worded as it was grammatically incorrect;
- Members suggested that in the 1.2.4 statistics, Essex Libraries were aspiring to compare favourably with its Statistical Neighbours, when it should be aspiring to continue to be the best performing;

- The quarterly reports should be focused on key issues, and it was explained that this was the intent;
- Statistic 3.2.3, Winter Mortality Rates, Members raised concerns that the Excess Winter Deaths in Essex were higher than in other parts of the UK although it was recognised that the overall life expectancy in Essex was higher than in other areas of the UK;
- It was noted that it might be appropriate to ask other directors and/or portfolio holders to attend future meetings if there was a need to explore detail behind the measures.

The Committee **Agreed** the Recommendations in the report with the addition that:

- i) The term Targets should be replaced with Service Standards and Outcome Measures;
- ii) The format was excellent although Members noted that the format would require colour copying;
- iii) The first quarterly report would take place at the July Cabinet and Executive Scrutiny Committees.

The Chairman thanked Councillor Finch for his presentation.

14. Budget 2012/13 Update

The Committee considered the presentation from Councillor David Finch, Deputy Leader of the Council and Cabinet Member for Finance and Transformation Programme. Peter Lewis, Interim Assistant Director, Financial Strategy was in attendance.

Councillor Finch informed the Committee that the County was currently working on the Community Budget, which was in the initial planning stage. The current four year transformation programme was on target to deliver £330 million of which £98 million targeted savings were achieved in 2011/12. The projected outturn position was good with an estimated £5 to £8 million underspend resulting from close financial management across services and delivery of efficiency programmes.

The overall revenue budget for 2012/13 was £937,906 million. With more schools achieving academy status there was less Government funding provided to schools via the County Council.

The Capital Programme funding was reduced from previous years. From 2014/15 and beyond there was the potential for increased spending although this would rely on the rate of interest for any borrowed funds. Councillor Finch informed the Committee that he had suggested to the Rt Hon Eric Pickles MP, Secretary of State for Communities and Local Government, that he cut the Public Works Loan Board (PWLB) interest rate to one percent to stimulate investment and growth.

Councillor Finch informed the Committee that the Key Community Budget projects were divided into four distinct areas: families with complex needs;

economic opportunity; community safety; and health and wellbeing. Cabinet Members were jointly working with Ministers and other bodies.

During the discussion members sought clarity on the following aspects:

- Pooling of health and social care budgets, and the potential impact of the localisation of council tax support schemes. In regard of the latter, Cllr Finch informed members that the County Council was working in partnership with district and borough colleagues to develop a new framework.

The Committee noted the report.

The Chairman thanked Councillors Martin and Finch and Peter Lewis for sharing this information with the Committee.

15. Corporate Human Resources issues

The Committee received report (ES/007/12) by Keir Lynch, Executive Director for Transformation and Maxine Taylor, Head of Corporate Human Resources. The scoping document (ES-SCR-02/12) was agreed by the Committee at its 31 January 2012 meeting.

My Performance

Keir Lynch highlighted the key points from the report. The My Performance scheme was undertaken by the entire workforce to set objectives and targets. There are three My Performance meetings a year encompassing an initial meeting, a mid-year review, and a final meeting. Individual's objectives relate to the overall Service Plan and Corporate Plan. My Performance has a fair moderation system and provides equity across the Council through moderation from the line manager, confirmation by the "Grandparent" manager and final approval by the Director. The scheme identifies high and poor performers, enabling high performers to be retained. A high percentage of poor performers find other jobs outside of the Council.

Redundancy Policy

In 2010 a decision was made to announce holistic redundancy notice across the County rather than individual services announcing separate redundancies. This new process ensures fairness and transparency across the County and used the Section 188 notice. The workforce gave good feedback regarding this process, with 500 posts being made redundant. Few individuals appealed against the redundancy decision.

Learning and Development

Training was provided for core business skills, management, supervisors and leadership. Some professional training was provided, for example, Social Workers.

During the discussion the following points were made:

- There were a range of reasons why individuals do not meet their objectives. Some people could improve and develop with additional training others may be unable to improve;
- Poor performers would meet on a regular basis with their line managers, possibly weekly;
- Members were concerned that there was an inconsistent approach to provide incentives for Bands 1 - 4 and Bands 5 and above, as only Bands 5 and above were able to receive rewards for exceeding or being excellent in their My Performance. Keir Lynch informed the Committee that currently there were two pay systems the Performance Related Pay for Bands 5 and above and the National Pay Conditions for Bands 1 – 4. The County was waiting for expected changes from the Government (July 2012) regarding extending local pay agreements;
- Individuals were set goals and objectives in line with the business outcomes within the County when appropriate with partners;
- Members asked for further information regarding the pay structure and the number of employees on the different pay bands. Keir Lynch would supply this information;
- Members were concerned that staff who were appealing issues with their conditions of employment did not seem to be aware that once their case was taken to appeal, they no longer qualified for redundancy. Keir Lynch would ensure that this information was captured in the process;
- People who have not met their objectives were choosing to leave the County and look for other employment;
- After a question Keir Lynch would provide information on how many employees at Chief Officer level appealed conditions of employment;
- When the perceived bullying was investigated, individuals informed the County that they were being bullied by customers and partners rather than by their line managers. All cases of bullying were dealt with seriously. A confidential helpline had been introduced to report any bullying;
- It makes business sense to pay a one off payment to an individual who had exceeded or excelled at their objectives rather than paying them a higher rate of pay every year;
- 40% of staff were on the National Pay and Conditions (Bands 1 – 4) whereas 60% of staff were on Local Pay and Conditions (Bands 5 and above);
- Bands 1 – 4 receive an average of 2.7% in an increment if they have met their objectives;
- Members were concerned that equality and diversity was taken into consideration when looking at sickness absence, as to whether it was part of the individual's long term condition. Members were informed that sickness absence was looked at by individual cases;
- Members suggested that officers could be offered fixed term contracts rather than permanent contracts but were normally paid at a higher rate;
- There was a redeployment process available for individuals when posts were made redundant to try to retain staff with particular skills sets;

- Members asked for information on how many employees received professional subscriptions paid by the County. Keir Lynch would provide this information;
- There was a mixture of in-house training and external provider training. Time was allowed for training within the working day when training was undertaken for business purposes, any training that individuals wanted to take for personal development would be taken in their own time;
- Line managers decide when employees need training;
- Time was allowed for employees to take part in business required e-learning within the working day;
- Training taking place in the County hall training suite providing good visual and audio requirements;
- If an employee was required to attend mandatory training and refused, this would be recorded on their My Performance and could exclude them from meeting their objectives;
- Employees were required to feedback to their line managers on the course.

The Committee **Agreed** that:

- i) It supported the view that Performance Related Pay being available to Bands 5 and above was potentially divisive given that there was currently a scale pay-freeze for employees on Bands 1 - 4. It was agreed that this view be forwarded to the Cabinet Member;
- ii) This scrutiny subject to Cabinet Member and Keir Lynch responses was now closed.

The Chairman thanked Keir Lynch and Maxine Taylor for their report.

16. External Communications

The Committee received report from Eleri Roberts, Head of External Communications on the External Communications. The scoping document (ES-SCR-01/12) was agreed by the Committee at its 31 January 2012 meeting.

The Committee **Agreed** that a Task and Finish Group would be set up to look at this issue. The Membership would consist of Councillors Butland, Mackrory and Pike.

The Chairman thanked Eleri Roberts for her briefing.

17. Forward Look

The Committee **Agreed** report ES/008/12) setting the Committees proposed future work programme.

18. Dates of Future Meetings 2012

The Committee **Agreed**:

- i) To use the 1 May meeting for the External Communications Task and Finish;
- ii) To change the 29 May meeting to the 30 May at 10.00 am and the 23 October meeting to the 24 October at 10.00 am.

Date	Time	Venue
Wednesday, 30 May	10 a.m.	Committee Room 2
Tuesday, 26 June	10 a.m.	Committee Room 2
Tuesday, 24 July	10 a.m.	Committee Room 2
Tuesday, 11 September	10 a.m.	Committee Room 2
Wednesday, 24 October	10 a.m.	Committee Room 2
Tuesday, 4 December	10 a.m.	Committee Room 2

There being no urgent business the meeting closed at 11.55 am.

Chairman
30 May 2012