

AT A MEETING of the POLICY AND RESOURCES SELECT COMMITTEE of the COUNTY COUNCIL held at The Castle Winchester on Thursday, 25 July 2013.

PRESENT

Chairman:

p Councillor Jonathan Glen

Vice-Chairman

p Councillor Keith Evans

Councillors:

p Ray Bolton

p Adrian Collett

p Criss Connor

a Keith House

p Robin McIntosh

p Andy Moore

p Patricia Stallard

p Mark Staplehurst

p Elaine Still

p Bruce Tennent

p Pat West

a Sharyn Wheale

Substitute Members:

Councillor David Harrison (Liberal Democrat substitute member)

Councillor Edward Heron (Conservative substitute member)

Also in attendance:

Councillor Roy Perry, Executive Member for Policy & Resources and Leader of the Council

1. **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Cllrs Keith House (on Borough Council business) and Sharyn Wheale (on holiday). Substitute Members were in attendance on behalf of both Members who had given apologies.

2. **DECLARATIONS OF INTEREST**

Members were mindful that where they believed they had a Disclosable Pecuniary Interest in any matter considered at the meeting they must declare that interest at the time of the relevant debate and, having regard to the circumstances described in Part 3 Paragraph 1.5 of the County Council's Members' Code of Conduct, leave the meeting while the matter was discussed, save for exercising any right to speak in accordance with Paragraph 1.6 of the Code. Furthermore Members were mindful that where they believed they had a Non-Pecuniary interest in a matter being considered at the meeting they considered whether such interest should be declared, and having regard to Part 5, Paragraph 2 of the Code, considered whether it was appropriate to leave the meeting whilst the matter was discussed, save for exercising any right to speak in accordance with the Code.

3. **MINUTES**

The Minutes of the Policy & Resources Select Committee meeting held on 18 April 2013 were confirmed as a correct record and signed by the Chairman.

4. **DEPUTATIONS**

No deputations were received for this meeting.

5. **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman gave an introduction to his approach to scrutiny, including that in his experience scrutiny works best when it is non political, and highlighting the four c's of scrutiny; comparing, consulting, competing and challenging.

He indicated that the scrutiny role is intended to be a critical friend to the Executive, and hold the Cabinet Members to account. He outlined the functions of the committee, including that the committee could receive referrals from Cabinet, had the power to 'Call in' executive decisions, and could establish sub committees to undertake particular pieces of work. The committee can seek input from a range of witnesses, and consider where the Council could learn from examples of good practice. He highlighted that as the overarching committee, the Policy & Resources Select Committee also has a role to oversee the rest of the scrutiny function.

The Chairman indicated his intention to convene additional meetings if the business requires it, and to be flexible about the location of meetings where relevant to the topics being scrutinised. It was his intention to ensure the committee undertook a mix of short, medium and long term work. He encouraged Members to ask what they may consider to be simple questions, and challenge the way things are done.

6. **NEW ADMINISTRATION: INTRODUCTION TO SCRUTINY**

The Director of Policy & Governance gave a presentation (Item 6 in the Minute Book) providing an introduction to the role of scrutiny and the terms of reference of the Policy & Resources Select Committee.

Following questions Members heard:

- That the majority of the arrangements for scrutiny were prescribed by legislation and statutory guidance.
- That over the past year a Member Governance Review had taken place, considering the opportunity to change arrangements including for scrutiny. However, at the Annual General Meeting of the Council, the decision taken had been to continue with the current arrangements in order

to get the new administration up and running.

- That the scrutiny annual report prepared by this committee could be used to assess the effectiveness of the function over the preceding year

RESOLVED:

That the presentation is noted.

7. **FINANCIAL CONTEXT**

The Director of Corporate Resources gave a presentation regarding the financial context for the County Council. The committee had available supporting reports on the 2012/13 end of year financial position and the medium term financial strategy update (see Item 7 in the Minute Book).

Members heard:

- That the County Council held £419m in reserves, most of which was earmarked/committed for specific purposes. 19% was available for use, and the Council had published its strategy for use of reserves, as appendix 3 to the medium term financial strategy report. It was intended to use the funds to assist with the transformation agenda for example for voluntary redundancy and IT projects. The grant equalisation reserve gave the flexibility to smooth reductions in central government grant while service transformation took place. The administration took the view that it was better to use reserves this way, rather than simply to prop up the revenue budget on a one off basis, which would only put off the need to make budget reductions.

- The majority of the budget reductions required for 2013/14 had already been met by previous savings. This gave the Council the space to develop further service transformation plans to meet anticipated future budget reductions.

- That decisions on whether to freeze council tax and accept the council tax freeze grant had a long term impact, as the freeze grant was only a short term measure. Accepting the freeze grant for several years in a row would increase the budget gap in future when the freeze grant ceased.

- That it was being predicted the current period of austerity would last until 2020, and even after that it was not expected local government would receive significant budget increases, so a lower level of funding for public services was likely to be a long term position.

- The target of the transformation to 2015 workstream was £93m in savings – to meet the anticipated £85m budget gap in the 2015/16 financial year and more, to put the Council in a strong position for future years.

Following questions members heard:

- That the impact of any budget reductions was assessed prior to decisions being taken
- The pressures in social care were estimated to be in the order of £10m for adults and £1.5m for children, derived from assessments of demography and complexity, however it was acknowledged the reality may vary from this estimate
- That the NHS also had significant savings to make, and there was incentive to work with the NHS to avoid decisions made by organisations having unhelpful impacts on partner organisations

Members commented that the scale of savings that had been achieved without impacting on front line services potentially indicated that local government had been inefficient previously. However, Members also noted that previously, efficiency savings had been made but these had been ploughed back into providing improved services rather than being used to offset grant reductions as was now the case. As the economic outlook required further savings, Members wished to monitor the impact of the reductions being made on the people who use public services.

RESOLVED:

That the financial context for the County Council is noted.

8. **PERFORMANCE CONTEXT**

The Director of Policy & Governance gave a presentation (see Item 8 in the Minute Book) regarding corporate performance management.

Members heard:

- The County Council had clear procedures in place to link strategic objectives through to service plans, and measure performance against priority areas. Other Local Authorities wished to learn from Hampshire's good practice in performance management.
- The current overarching plan was the 'Open for Business Plan 2011-13' which gave eight overall priorities. Performance was reported against this Plan annually, and by exception report to Cabinet during the year if necessary. The 2012/13 report could be circulated to the committee in due course
- The Council was required to report a number of statutory performance measures to central government, and used local measures, agreed with departments, to monitor other areas of priority
- The headlines in terms of performance over the 2012/13 financial year were that the majority of targets were achieved or exceeded, with improved direction of travel in 50% of measures

Circulate
annual
performance
report to
committee
Members

- Areas for improvement were: GCSE attainment of children in care (9.2% achieved A*-C, compared to 16% nationally, however this was an improvement on 6.6% in 2011/12) and sickness absence of staff – the stretching target had been 8.48 days per full time equivalent member of staff, and the rate achieved had been 8.62

- The County Council was strong in many areas, for example, in terms of inspection outcomes for schools Hampshire was 3rd out of 27 County Councils for primary schools, and top quartile for waste to landfill rates

- The *Open for Business* Plan was due to be refreshed, to focus on the priorities for the future, linked to the 'Transformation to 2015' agenda. It was anticipated a report on this would be taken to Cabinet in the autumn, as part of the Chief Executive's Transformation update.

Following questions Members heard:

- That while the sickness absence target had not been met, the rate had come down and there had been increased focus on this area. Further information could be provided on this to a future meeting by the Director of Human Resources.

RESOLVED:

That the performance context is noted

That the committee request to comment on the refreshed Plan that follows on from the *Open for Business* Plan

9. **PRIORITY CORPORATE POLICY AREAS**

The Director of Policy & Governance gave a presentation (see Item 9 in the Minute Book) regarding corporate policy areas that would be significant over the coming year.

Members heard:

- That the County Council was taking part in the central government initiative the Public Sector Transformation Network, to trial whole place community budgets, recognising that an agency working alone could not provide all the answers to provide public services effectively in a climate of high demand and reduced resources

- The Troubled Families programme was an example where working with partners was beginning to have an impact. The example was given that data had shown fire service call outs to correlate with mapping of troubled families, therefore the fire service had undertaken to target those families with fire prevention advice and safety checks

- Due to the unprecedented level of budget reductions being experienced in the public sector, the County Council could not afford to leave any aspect of its work untouched,

and would need to re-address relationships such as how the Council worked with the voluntary sector and the private sector on service delivery

- For the Troubled Families programme, work had been undertaken to assist the voluntary sector to bid for the associated work. This was successful as the Council had received more than one consortium bid to the tender process, and had selected a national charity working in partnership with local voluntary sector groups to deliver the work. It had been identified that people were more trusting of a voluntary sector representative than a representative of a government agency, so it was hoped voluntary sector leadership would help make this programme a success

- Public Health functions had become the remit of the County Council from April 2013, and it would be a priority over the coming year to integrate the public health role with the activities of the County Council. It would be in the Council's interest to support people to lead healthy lives, not just longer lives.

- The County would be looking to develop its relationship with the Police and Crime Commissioner, elected in 2012, in order to ensure the work of the County Council on community safety issues was joined up with the work of the Commissioner

- The committee could consider as future topics: volunteers, reviewing progress against the apprenticeships scheme, use of data/engagement/consultation feedback from communities to understand needs

Members commented that the County Council could be more open to what constituted the relevant 'community' when consulting on services, for example consulting more broadly than the direct local area regarding the Fleet train station travel plan.

RESOLVED:

That the presentation is noted.

10. **WORK PROGRAMME AND ONGOING WORK ACROSS ALL SCRUTINY COMMITTEES**

Members noted the work programme for the committee inherited from the previous administration, and the overview of scrutiny activity across all Committees (see Item 10 in the Minute Book). Members were invited to submit suggestions for the work programme between meetings to the Scrutiny Officer, copied to the Chairman. Suggestions arising from the items considered at this meeting were as follows:

- To keep consultation on the work programme for a future report back
- To keep sickness absence on the work programme

for a future update

- Open for Business Plan refresh – request for autumn meeting, preferably pre scrutiny
- Economic development – keep on work programme for future update, as business rates will be a key income stream in future with other grants reducing
- Request to investigate the contract with Amey for bridge repairs and the cost effectiveness of the sub contracting arrangements
- To monitor the effectiveness of the newly established Health and Wellbeing Board, as a key partnership for driving joint working with health
- Barriers preventing access to services working effectively – travel tokens for those less mobile can't be used for all forms of assistance e.g. shop mobility
- Impact of budget reductions on front line services – where local managers may be implementing changes that have not been approved centrally

The Chairman invited the Members of the committee to comment on their background, so that their experience/skills could be utilised appropriately in relation to future scrutiny topics. The Scrutiny Officer took notes for future reference.

RESOLVED:

That the Chairman and Vice Chairman work with Officers to refresh the work programme, and assess the suggestions made at this meeting.

The work programme be updated in consultation with the Chairman

Chairman, 31 October 2013