

Minutes of a meeting of the Scrutiny Commission held at County Hall, Glenfield on Tuesday, 5 February 2008.

PRESENT

Dr. M. O'Callaghan CC (in the Chair)

Mr. D. R. Bown CC  
Mr. R. Fraser CC  
Mr. S. J. Galton CC  
Mr. G. A. Hart CC  
Mr. D. W. Houseman CC

Mr. P. G. Lewis CC  
Mr. S. D. Sheahan CC  
Mr. R. J. Shepherd CC  
Mr. E. D. Snartt CC  
Mr. R. M. Wilson CC

By Invitation

Mr. D.R. Parsons CC – Leader of the Council  
Mr. M.B. Page CC – Cabinet Lead Member for Resources.  
Mr. J.B. Rhodes CC – Cabinet Lead for Community Safety.

63. Minutes.

The minutes of the meeting held on 19th December 2007 were taken as read, confirmed and signed.

64. Question Time.

The Chief Executive reported that no questions had been asked under Standing Order 35.

65. Questions asked by members under Standing Order 7(3) and 7(5).

The Chief Executive reported that no questions had been received under Standing Order 7(3) and 7(5).

66. Urgent Items.

There were no urgent items.

67. Declarations of interest in respect of items on this agenda.

Mr Parsons and Mr Page declared personal and prejudicial interests in relation to the Medium Term Financial Strategy 2008/09 to 2010/11 (minute numbers 70, 71 and 72 below) having been present at the Cabinet meeting when this item was discussed.

68. Declarations of the Party Whip in accordance with Overview and Scrutiny Procedure Rule 16.

There were no declarations made under Overview and Scrutiny Procedure Rule 16.

69. Presentation of Petitions under Standing Order 36.

The Chief Executive reported that no petitions had been received under Standing Order 36.

70. Medium Term Financial Strategy 2008/09 to 2010/11 - Chief Executive's Department.

The Commission considered a report of the Chief Executive and Director of Corporate Resources concerning the Medium Term Financial Strategy and the implications for the Chief Executive's departmental budget. A copy of the report, marked 'A', is filed with these minutes.

In response to questions, the Commission was advised as follows:-

Revenue

- i) the additional £95,000 for legal services would reduce the use of external legal services and provide it on a more economical basis in-house. The growth for legal services in the Children and Young People's Service was to contribute to the shortfall in the cost of legal services. The increased cost arose from the increased complexity of care proceedings;
- ii) the increased demand on legal services in relation to company formation was attributable to the work involved in establishing the new Connexions Service as a local authority controlled company, work required on establishing several companies to deliver the extended schools programme, and potential work from the emerging regional and sub-regional agenda;
- iii) part of the additional £160,000 would be used to support leadership capacity for district and third sector partners serving on the LeicesterShire Together Board. This was identified as an issue in the recent Peer Review and would be important to the delivery of the LAA. With regard to scrutiny of the LAA, the Committee was advised that, following representations, the Government was beginning to recognise the importance of member involvement in the LAA and it was hoped that the Commission could take the initiative on scrutiny;
- iv) the growth for the Inter-Agency Community Safety Bureau would ensure that information and intelligence previously gathered through the Number 101 Service, which would now come through a number of agencies, was assessed and responses co-ordinated;
- v) there would be additional staffing as a consequence of the following growth proposals:-

- Local Resilience Forum
- Legal Services
- LAA Implementation
- Research and Information Capacity
- 2012 Olympics regional youth response

#### Capital Programme

- vi) the £100,000 for Protecting and Enhancing Rural Leicestershire would be used to support local initiatives such as Community Transport and Village Halls.

#### RESOLVED

- a) That the report and information now provided on the implications of the Medium Term Financial Strategy for the Chief Executive's Department be noted;
- b) That the Scrutiny Reference Group be asked to give further consideration to arrangements for scrutiny of the Local Area Agreement.

#### 71. Medium Term Financial Strategy 2008/09 to 2010/11 - Resources Department.

The Commission considered a report of the Director of Corporate Resources concerning the Medium Term Financial Strategy and the implications for his department's budget. A copy of the report, marked 'B', is filed with these minutes.

In response to questions, the Commission was advised as follows:-

#### Revenue

- i) the Department had looked at the scheme adopted by Worcestershire County Council of engaging a specialist audit company to review invoice payments but concluded that this was not a priority as existing audit arrangements were deemed to be robust;
- ii) the savings of £95,000 in Property Services had been realised through bringing together the services previously undertaken separately by Departments. It was anticipated that further efficiency savings would be realised through re-engineering of the Property Services functions;

#### Capital

- iii) At this stage £180,000 had been included to continue the programme of works to make County Council buildings DDA compliant. No provision had been made in the subsequent year as a review of County Council accommodation is currently underway;
- iv) The County Farms portfolio generated a profit and the proposed investment would ensure it continued to do so;

### Change Management

- v) The investment in the Change Programme would largely be recouped through efficiency savings during the five year investment programme. There would also be an on-going annual saving of £6 million. The all party Member Change Board received regular reports on the Change Programme.

### RESOLVED

That the report and information now provided on the implications of the Medium Term Financial Strategy for the Corporate Resources Department be noted.

### 72. Medium Term Financial Strategy 2008/09 to 2010/11 - Overall Position.

The Commission considered a report of the Chief Executive and Director of Corporate Resources concerning the overall position on the Medium Term Financial Strategy for 2008/09 to 2010/11. A copy of the report marked 'C' is filed with these minutes. Appended to the report were the following documents:-

- i) the Medium Term Financial Strategy which had been approved by the Cabinet on 10<sup>th</sup> January as a basis for consultation;
- ii) a supplementary report of the Director of Corporate Resources setting out additional information that had become available since the MTFS was approved by the Cabinet on 10<sup>th</sup> January;
- iii) the comments of the following Overview and Scrutiny Committees:-
  - Community Services;
  - Adult Social Care and Health;
  - Children and Young People's Service;
  - Environment.

The Director of Resources drew the Commission's attention to the changes that had taken place since the Cabinet report had been written. This would result in a net additional spend of £193,000. This additional expenditure would be met from the £1million set aside in the budget for the LAA and service improvements. He also advised that the Council's contribution to the flood defence levy had reduced by £60,000.

The Leader advised the Commission as follows:-

- i) Delivering cashable efficiency savings was necessary to:
  - deliver the MTFS with lower council tax increases and service improvements
  - meet the Government's efficiency target;
  - retain the Council's 4 star 'value for money' rating.

- ii) Achieving the efficiency savings would not be easy. He drew a distinction between savings which involved service reconfiguration (most likely in the case of adult social care) and those which would be invisible to service users and members. In the case of the latter he suggested that these should be left to officers to implement and manage. He gave an assurance that if changes affecting service users were being proposed a report be brought to the Scrutiny Commission and the relevant Overview and Scrutiny Committees in the summer setting out areas which were being considered.

The Chairman of the Commission suggested that it would be helpful for each Overview and Scrutiny Committee to discuss, in a workshop setting, issues and challenges facing relevant services following the Annual Meeting of the Council.

The Commission was also advised of a proposal to be considered by the Cabinet to allocate an additional £200,000 to expand an existing youth work team (the Impact Project) which worked with young people to dissuade them from becoming involved in anti-social behaviour and crime. The Commission asked that details of the proposals should be circulated to members.

In response to questions, the Commission was advised as follows:-

- i) Government efficiency targets were based on net expenditure and, as such, it was considered important to ensure that clear efficiency targets were set for each service area which could then be scrutinised. These efficiency targets were particularly challenging and, in recognition of the risk associated with their achievement in 2010 and subsequent years, a contingency had been built into the budget. The Change Programme was instrumental in assisting the Council to deliver cashable savings but also to look critically at how services were provided to ensure service improvements. Discussions would take place with other Authorities to share experience and good practice, as appropriate;
- ii) good progress had been made with neighbouring City and County authorities including Leicester City Council, on the shared services agenda. Work was in hand to engage further with District Councils on this agenda but, so far, the District response had generally been disappointing.
- iii) The Cabinet on 11<sup>th</sup> February would consider the initiative to extend the Impact Project which worked with young people to dissuade them from becoming involved in anti-social behaviour and crime, and then come to a view as to how this might be funded.

With regard to the views of the Scrutiny Committees, the following points were highlighted by members of the Commission which the Leader undertook to draw to attention of the Cabinet:-

- i) the need for further investment in highways drainage as a flood alleviation measure;

- ii) the proposals from the Community Services Scrutiny Committee on closer working with the City Council including developments linked to the 'Curve' (the new Performing Arts Centre);
- iii) the implications of the decision of the Arts Council to withdraw funding for the Literature Support Officer.

RESOLVED:

That the report and information now provided on the Medium Term Financial Strategy be noted and that the comments now made including those of the Scrutiny Committees be forwarded to the Cabinet.

73. Revenue Budget 2007/08 - Monitoring Report.

The Commission considered a report of the Director of Resources providing information on the 2007/08 budget based on the pattern of income and expenditure for the first eight months of the financial year. A copy of the report, marked 'D', is filed with these minutes.

The Director of Corporate advised the Commission that the underspends now reported did not include the financial arrangement with the Primary Care Trust. He also indicated that the underspending would increase if LAA grant was used to fund eligible mainstream expenditure to avoid loss of resources due to limits on the carry forward of grant.

In response to questions, the Director of Corporate Resources undertook to write to Mr Sheahan about the impact of underspending in the Looked After Children and Children's Centre Teachers' Budgets.

RESOLVED:-

That the outcome of the latest budget monitoring exercise be noted.

74. Third Review of the 2007/08 Capital Programme.

The Commission considered a report of the Director of Corporate Resources on progress in the delivery of the annual capital programme. A copy of the report, marked 'E', is filed with these minutes.

In response to comments, a commitment was given to provide an update on the construction of the Earl Shilton Bypass to the next meeting of the Environment Scrutiny Committee.

RESOLVED:-

That the progress on the delivery of the Annual Capital Programme be noted.

75. Corporate Asset Management Plan - Progress Report.

The Commission considered a report of the Director of Corporate Resources on Corporate Asset Management and, in particular work, associated in developing a more corporate approach to the management of the Council's property assets. A copy of the report, marked 'F', is filed with these minutes.

## RESOLVED:-

That the progress made in implementing a Corporate Approach to Asset Management be noted.

76. Leicestershire Sustainable Community Strategy.

The Committee considered a report of the Chief Executive concerning the key messages emerging from the first round of public consultation on the Leicestershire Sustainable Community Strategy. A copy of the report, marked 'G', is filed with these minutes.

In response to comments, the Commission was advised that arrangements had been made for a briefing on this issue for all members to be held on 11<sup>th</sup> February. There would be a further opportunity for the Commission to consider and comment on the Leicestershire Sustainable Community Strategy following the current round of consultation

## RESOLVED:-

That the comments submitted during the public consultation on the Leicestershire Sustainable Community Strategy be noted.

77. Date of next meeting.

## RESOLVED:

That the next meeting of the Commission be held at 2.00pm on Wednesday 27<sup>th</sup> February 2008.

2.00 pm - 4.05 pm  
05 February 2008

CHAIRMAN