

Minutes of a meeting of the Scrutiny Commission held at County Hall, Glenfield on Wednesday, 23 July 2008.

PRESENT

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

Mr. G. A. Boulter CC  
Mr. D. R. Bown CC  
Mr. R. Fraser CC  
Mr. S. J. Galton CC  
Mr. B. Garner CC

Mr. G. A. Hart CC  
Mr. D. W. Houseman CC  
Mr. John Legrys CC  
Mr. P. G. Lewis CC  
Mr. J. S. Moore CC

By Invitation

Mr M. B. Page CC – Cabinet Lead Member attended for the following items of business:-

- Efficiency Savings Progress Report
- Annual Treasury Management Report 2007/08
- Revenue Outturn 2007/08.
- Capital Outturn 2006/07.
- 2008/09 Revenue Budget Monitoring.
- First Review of the 2008/09 Capital Programme.

114. Minutes.

The minutes of the meeting held on 18<sup>th</sup> June 2008 were taken as read, confirmed and signed.

115. Question Time.

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

116. 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).

117. Urgent items.

There were no other items of urgent business.

118. Declarations of interest.

Messrs Boulter, Galton, Legrys, and Lewis declared personal non prejudicial interests as members of District Councils in relation to any issues arising from consideration of the proposals to establish an Economic Development Company for Leicester and Leicestershire:-

Mr Page declared a personal prejudicial interest in relation to the following items which had previously considered by the Cabinet:-

- Annual Treasury Management Report 2007/08
- Revenue Outturn 2007/08.
- Capital Outturn 2006/07.

119. Youth Justice Plan 2008/09.

The Commission considered a report of the Chief Executive concerning the draft Youth Justice Plan 2008/09. A copy of the report marked 'A' is filed with these minutes.

In response to questions the Commission was advised that:

- The work of the service, particularly work on preventing re-offending, had been commended by the Youth Justice Board. The developing IMPACT project was a particularly innovative project.
- The Youth Crime Prevention Plan was a one year interim plan as the Government guidance on this had only just been received.
- Work was being undertaken on developing a wider "Reassurance Strategy" in recognition of the need to communicate effectively to the public the work being undertaken by various agencies on reducing offending.
- There were strong relationships with the Voluntary and Community sector in delivering this agenda. For example, Charnwood Arts provided the Youth Café in Loughborough, the Centre for Fun and Families assisted with the provision of parenting programmes and the Prince's Trust also delivered a young offenders programme.
- Additional resources had been provided in recent years for developing parenting work across children's services as part of a comprehensive parenting strategy.
- Regular reports on the operation of the service had been presented to the Commission and this practice would continue.
- Involvement by the Service in working with Youth Offenders was aimed at reducing the risk of young offenders receiving custodial sentences and becoming institutionalised into a life of crime.

## RESOLVED:

- a) That the draft Youth Justice Plan 2008/09 be welcomed.
- b) That the work being undertaken on a "Reassurance Strategy" be welcomed as this will go some way to addressing the concerns of the public on crime and anti-social behaviour.

120. An Economic Development Company for Leicester and Leicestershire.

The Commission considered a report of the Chief Executive concerning the establishment of an Economic Development Company (EDC) across Leicester and Leicestershire and the early appointment of a Chief Executive for the new organisation. A copy of the report marked 'B' is filed with these minutes.

The Commission also received a powerpoint presentation on the key elements of the proposals. A copy of the slides used in the presentation are also filed with these minutes.

In response to questions and comments the Commission was advised as follows:

- i) The consultants advising the City and County Council had, in arriving at their recommendations, taken into account arrangements in other authorities including Nottinghamshire and Newcastle;
- ii) Whilst the EDC as a delivery body would contain strong representation from private and business sector interests, the City, County and District Leaders who served on the Leadership Group would provide the strategic direction and performance management;
- iii) As part of the proposals, the Leicestershire Economic Partnership (LSEP), the Welland Partnership and the Leicester Regeneration Company would cease to exist. LeicesterShire Promotions would continue to supply tourism services but the new EDC would also have a key role in 'place marketing'.
- iv) Whilst the detailed implications of the recent RSS guidance were still to be assessed, it appeared on an initial assessment that the RSS guidance would support the approach to economic development as set out in the report;
- v) The further work required outlined in paragraph 18 of the report would be particularly challenging. Part of this process would involve conducting a 'due diligence' exercise; this needed to be undertaken to ensure that an independent and expert view was obtained;

- vi) The five year budget would be an indicative budget for planning purposes only ;
- vii) Whilst the concerns expressed by some members about City domination of the EDC were noted, an assurance was given that the governance arrangements in place would ensure that the views and concerns of businesses in the County market towns and rural centres would be highlighted through appropriate representation at all levels within the structure.

Discussion then ensued on the possible arrangements for scrutiny of the new arrangements. The following were put forward as possible options:

- Scrutiny of the Leadership Group which comprises the County, City and District Leaders as this body would be responsible for providing the strategic direction and setting the framework for delivery plans;
- Inviting the Chief Executive of the EDC to report on the activities and achievements of the company’;
- Establishing a joint committee involving the City and County and Council to scrutinise the Leadership Group and/or the EDC thereby avoiding multiple scrutiny recognising that consideration would need to be given to the role of District Councils in any such body.

RESOLVED:

- a) That the Cabinet be advised that the Commission:-
  - i) supports the establishment of an Economic Development Company (EDC) on the basis outlined in the report;
  - ii) has concerns about the amount of further work yet to be undertaken (outlined in paragraph 18 of the report) to ensure the successful establishment of the new Company and would urge the Cabinet to ensure that all partners commit the appropriate level of resources required to avoid slippage on the proposed timetable;
  - iii) has some concerns about the continued role of LeicesterShire Promotions within the proposed new structure, particular in relation to its role of promoting the City and County as a tourist destination;
- b) That further consideration be given to mechanisms and structures for scrutiny of the new arrangements for delivering economic development and associated activity;
- c) That Leicestershire Promotions be invited to a future meeting of the Commission to provide information on its work in the County area.

121. Efficiency Savings Progress Report.

The Commission considered a report of the Director of Corporate Resources concerning the progress departments were making in meeting their three year efficiency targets. A copy of the report marked 'C' is filed with these minutes.

The Commission was advised that at this point in time it was not anticipated achieving efficiency savings service in areas, other than Adult Social Care and Children and Young People's Service, would impact directly on frontline services. Work was also in hand to investigate areas of persistent underspending with a view to adjusting the base budget.

RESOLVED:

- a) That the report be noted;
- b) That the Children and Young People's Service and Adult Social Care and Health Services Overview and Scrutiny Committees be asked to consider the potential areas identified for making efficiency savings and their impact on service users.

122. Annual Treasury Management Report 2007.

The Commission considered a report of the Director of Corporate Resources concerning the action taken and performance achieved in respect of treasury management activities of the Council in 2007/08. A copy of the report marked 'D' is filed with these minutes.

RESOLVED:

That the report be noted.

123. Revenue Outturn 2007/08.

The Commission considered a report of the Director of Corporate Resources concerning the revenue outturn for 2007/08 including carry forwards agreed by the Cabinet. A copy of the report marked 'E' is filed with these minutes.

In response to questions, the Director advised that when the adjustments made in the budget to avoid the loss of LAA grant were discounted the underspend was lower than reported. He also reminded the Commission of the underspend of £3million in Waste management which had been transferred to the earmarked Waste Strategy Reserve in anticipation of the need for significant investment in this area of activity in the coming years.

RESOLVED:

That the Revenue Outturn for 2007/08, including the carry forwards agreed by the Cabinet, be noted.

124. Capital Outturn 2007/08.

The Commission considered a report of the Director of Corporate Resources concerning the key achievements in terms of capital investment in 2007/08 and summarising the capital outturn with explanations for variations from the original programme. A copy of the report marked 'F' is filed with these minutes.

In response to a question members were advised that the majority of the capital programme was funded centrally through grant and supported borrowing and this would be made clear in future reports. With regard to the contribution to Enderby Brockington School, the majority of this was met from grant funding but an element was met from prudential borrowing.

RESOLVED:

That the capital outturn for 2006/07 be noted.

125. 2008/09 Revenue Budget Monitoring.

The Commission considered a report of the Director of Corporate Resources which provided an early indication of any major issues on both the revenue budget. A copy of the report marked 'G' is filed with these minutes.

The Commission was advised that there would be no additional resources from Central Government to meet the higher than anticipated take-up of nursery education entitlement.

In response to a request, the Director of Resources undertook to provide a more detailed explanation of the projected overspend in the 'Behaviour and Attendance Budget' to the Chairman and Spokesmen of the Children and young People's Services Overview and Scrutiny Committee.

RESOLVED:

That the report be noted.

126. First Review of the 2008/09 Capital Programme.

The Commission considered a report of the Director of Corporate Resources which provided an early indication of major issues with the delivery of the 2008/09 Capital Programme. A copy of the report marked 'H' is filed with these minutes.

RESOLVED:

That the report be noted.

127. Date of next meeting.

RESOLVED:

That the next meeting of the Commission be held on Wednesday 3<sup>rd</sup>  
September 2008 at 2.00pm.

2.00 pm - 4.30 pm  
23 July 2008

CHAIRMAN