



Minutes of a meeting of the Scrutiny Commission held at County Hall, Glenfield on Wednesday, 5 November 2014.

PRESENT

Mr. S. J. Galton CC (in the Chair)

Mrs. R. Camamile CC
Dr. R. K. A. Feltham CC
Mr. S. J. Hampson CC
Dr. S. Hill CC
Mr. D. Jennings CC

Mr. K. W. P. Lynch CC
Mrs. J. Richards CC
Mr. S. D. Sheahan CC
Mr. R. J. Shepherd CC
Mr. L. Spence CC

Also in attendance:

Mr. J. B. Rhodes CC, Cabinet Lead Member for Corporate Resources (for Minutes 154 and 155)

147. Minutes.

The minutes of the meeting held on 10 October 2014 were taken as read, confirmed and signed.

148. Question Time.

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

149. Questions asked by Members.

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

150. Urgent Items.

The Chairman reported that he had agreed to consider an item on Welfare Provision which was of an urgent nature as a result of the need to report the Commission's comments to the Cabinet meeting where the matter would be considered.

151. Declarations of Interest.

The Chairman invited members who wished to do so to declare any interest in respect of items on the agenda for the meeting.

No declarations were made.

152. Declarations of the Party Whip.

There were no declarations of the party whip.

153. Presentation of Petitions.

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

154. Review of Earmarked Funds, Balances and Contingency.

The Commission considered a report of the Director of Corporate Resources concerning the findings of a detailed review of revenue earmarked funds. A copy of the report, marked "Agenda Item 8" is filed with these minutes.

The Chairman invited the Cabinet Lead Member to introduce the report. Mr. Rhodes CC stated that the Council currently had £97.1 million of reserves, but that this figure was projected to be £78 million by the end of the financial year. A key outcome of the Review had been the establishment of a Transformation Fund of £29 million to help the Council to achieve further savings.

Arising from the discussion, the following points were noted:

- It was possible that some of the Transformation Fund could be moved into the County Fund to deal with risks around capital expenditure and the implications of the Care Act. The position in respect of the Transformation Fund would be reviewed at the end of the year;
- In response to concerns raised around cuts in prevention work and highways maintenance which could lead to the Council having to act on "emergency" basis further down the line, the Lead Member responded by stating that the Council needed a sustainable approach to the identification of savings. It was not felt that the postponement of savings would be prudent;
- In regard to the comparison of reserves with other authorities contained in paragraph 64 of the report, it was noted that risk amongst local authorities was growing each year. Whilst the Council was committed to minimising borrowing and debt, it was known that some authorities had taken a different approach;
- If the Council were to reduce reserves there would be a knock-on increase in risk which could lead to the Council not achieving the savings in the MTFs. This could in turn lead to in-year changes to the revenue budget and to emergency service reductions. In taking the approach it had, the Council had balanced a number of factors.

It was moved by Mr. Sheehan CC and seconded by Mr. Spence CC:

"That the Cabinet be urged to use the extra flexibility and additional resources in the Transformation Fund to do more to mitigate the cuts, particularly where it is evident that there would be a severe impact on services."

An amendment was moved by Mr. Shepherd CC and seconded by Dr. Feltham CC:

“That the explanations given by the Cabinet Lead Member and officers for the additional resources in the Transformation Fund be noted and that the Cabinet be encouraged to continue to be both scrupulous and prudent in administering these funds.”

The amendment was put and carried, 6 members having voted for the amendment and 1 against with 4 abstentions.

The substantive motion was then put and carried, 6 members having voted in favour, 0 against and with 5 abstentions.

155. 2014/2015 Medium Term Financial Strategy Monitoring (Period 6).

The Commission considered a report of the Director of Corporate Resources concerning an update on the 2014/15 revenue budget and capital programme monitoring position. A copy of the report, marked “Agenda Item 9”, is filed with these minutes.

There would likely be cost implications for the Council in carrying out the functions of the Care Act, which the Government had stated would be “cost neutral”. Concern existed around the performance of the Adults and Communities Department in achieving savings and these issues were currently being reviewed.

RESOLVED:

That the report be noted.

156. County Council Annual Performance Report.

The Commission considered a report of the Chief Executive concerning the County Council’s Draft Annual Performance Report for 2013/14. A copy of the report, marked “Agenda Item 10”, is filed with these minutes.

In introducing the report, the Chief Executive reported the following amendments which had been made following publication of the Commission agenda papers:

- Page 104: deletion of 4th quartile for % workforce disabled and % workforce committed to equality – as no direct comparator available. Stonewall ranking to be changed to 1st quartile;
- Page 106: NEET - should read “1st quartile” rather than “3rd quartile”. Housing delivery quartile positions to be deleted, as none were currently available;
- Page 108: service users social contact should read “2nd quartile” rather than “3rd quartile”;
- Page 109: safeguarding adults – should read “2nd quartile” and “1st quartile” respectively;
- Page 117: road accidents – should read “3rd quartile” and “1st quartile” respectively. For carbon emissions data “4th, 3rd and 2nd quartiles” to be deleted, as none were currently available;

- Page 118: waste – delete first “3rd quartile” figure and replace the second two quartiles (3) with 1 and 2 respectively.

Arising from the ensuing discussion, the following points were noted:

- As the Council’s “Crime and Disorder” Scrutiny Committee, the Commission was significantly concerned by the rise in domestic burglary, incidents of violence and vehicle crime. It would be necessary to raise these issues with the Police and Crime Panel;
- There was a need to ensure that the reasons behind increased staff sickness absence were understood and action was being taken to support staff under particular service pressures or stress. It was noted that the Employment Committee received a standing item on sickness absence levels and was actively pursuing improvements in this area;
- A clearer understanding of the strategy being pursued by the Leicestershire Educational Excellence Partnership and the supporting work that would be carried to ensure further improvement in educational attainment, particularly at Key Stage 4 and 5. It was noted that the Children and Families Overview and Scrutiny Committee had expressed concern in this area at its meeting on 3 November and had stressed the importance of the Council’s role in driving forward improvements in schools and academies;
- The importance of work on Health and Social Care Integration in driving improvements to the performance of the overall health and social care system and tackling pressures in both adult social care and the acute sector was stressed;
- It was suggested that future Annual Reports place a greater emphasis on the details that lay behind the percentages in the performance data dashboards. It was noted that, where numbers were low, slight variations could lead to large percentage changes and significant changes in the comparative performance position.

RESOLVED:

- (a) That the comments of the Commission on the Annual Performance Report be submitted to the Cabinet for consideration at its meeting on 19 November;
- (b) That the Chairman of the Commission write to the Chairman of the Police and Crime Panel (Mr. J. T. Orson JP CC) stating the Commission’s concern at the rise in crime with a view to having him attend a future meeting of the Commission to report back on how he has challenged the Police and Crime Commissioner on these issues;
- (c) That the concerns of the Commission in regard to the rise in sickness and stress absence be drawn to the attention of the Employment Committee.

157. Urgent Item: Leicestershire Welfare provision from 2015.

The Committee considered this matter, the Chairman having decided that it was of an urgent nature in order to submit its comments as a consultee prior to consideration by the Cabinet. A copy of the report, marked "agenda Item 11", is filed with these minutes.

The Chief Executive reported corrections to the report circulated with the agenda as follows:

- Page 1: paragraph 4 to read "April 2013" instead of "April 2014";
- Page 1: paragraph 6 to read "September 2014" instead of "September 2015".

Arising from the discussion, the following points were noted:

- The Government was reconsidering the funding for this area of work and was consulting on four options, as referenced in paragraph 25 of the report, the outcome of which was expected in December. It was felt that a robust response to the consultation was required, stressing the importance of ongoing funding beyond April 2015;
- A number of options were being considered by the Council in terms of its ongoing support for this piece of work. This was likely to focus around support for signposting to other services including by building in additional capacity in the Council's Employee Service Centre and targeted additional funding to help other service providers manage increased demand. It was acknowledged that there was likely to be a knock-on increased demand for Citizens' Advice Bureaux services.

RESOLVED:

- (a) That the comments of the Commission be submitted to the Cabinet for consideration;
- (b) That a robust response be issued from the Council questioning the Government's decision to remove funding for this work beyond April 2015.

158. Final Report of the Scrutiny Review Panel on Traded Services.

The Commission considered the Final Report of the Scrutiny Review Panel on Traded Services. A copy of the report, marked "Agenda Item 11", is filed with these minutes.

The Final Report was, subject to the approval of the Scrutiny Commission, due to be considered by the Cabinet at its meeting on 19 November.

Dr. Feltham CC, Chairman of the Panel, introduced the Final Report by stating the aims of the Review, which were:

- To understand the challenges facing the County Council and the rationale behind the need to be pro-active in the area of traded services;
- To understand the current approach being adopted in relation to traded services and how this compared with the approach taken at authorities elsewhere in the country;

- To understand any risks associated with the current approach and ensure that appropriate monitoring arrangements were in place;
- To develop and test the Council's Commercial Services Strategy and to make any improvements in light of intelligence gained from experts.

Arising from the ensuing discussion, the following points were noted:

- The Review process had been helpful to officers as well as members, the culmination of which had provided a clear direction of travel to maximise the potential of the Council's traded operations. It was noted that members would have a level of ongoing involvement in this work to ensure that it remained on track;
- Though the mutuals and co-ops model was not being pursued at this time, it was noted that it and the others models available would remain considerations going forward;
- The importance of an account management function was stressed in order to develop the Council's customer base;
- Members would have a role to play in "championing" traded services to other authorities and agencies.

RESOLVED:

- (a) That the Scrutiny Review Panel's Final Report and recommendations be commended to the Cabinet for consideration at its meeting on 19 November 2014;
- (b) That, subject to Cabinet approval, the Chairman of the Panel be asked to ensure that progress was being made against the Panel's recommendations.

159. Date of next meeting.

It was NOTED that the next meeting of the Commission would be held on 28 January 2014 at 2.00pm.

2.00 - 4.20 pm
05 November 2014

CHAIRMAN