

Performance and Finance Select Committee

03 October 2014 – At a meeting of the Select Committee held at 10.30 a.m. at County Hall, Chichester.

Present:	Mrs Urquhart (Chairman)	
Mr Burrett**	Mrs Kitchen	Mr Turner
Mrs Evans	Mr Lamb*	Mr Tyler
Mr Glennon	Mr Metcalfe	Mr Waight
Ms James	Mr R T Rogers	Mr Watson

In attendance by invitation: Ms Goldsmith (Leader) and Mr Brown (Cabinet Member for Finance).

Apologies for absence were received from Mr Acraman and Mrs Millson.

* Mr Lamb arrived at 10.35am

** Mr Burrett arrived at 10.45am

Declarations of Interest

78. None declared.

Minutes of the 4 July Meeting

79. The Committee agreed that bullet 7 of minute 66 should include ‘, processes by which projects are identified’ and the full bullet should be amended to read:

- Queried the intended use of the fund carried forward into the Capital Expenditure Reserve (£3.2m). – *The Head of Corporate Finance confirmed the fund was being held potentially for a site identified by PropCo for investment. Members raised concerns on their lack of knowledge of the plans, processes by which projects are identified and a move away from the original objectives of PropCo. Officers explained that the plans were at an early stage of development. Members requested further information on the site and a future agenda item on PropCo. The Chairman resolved to write to the Leader and the Cabinet Member for Finance to express the Committee’s concerns and request an update on all PropCo’s plans.*

80. Members queried the lack of IT help that had been offered by the Capita representatives at the previous meeting. Members also commented on the various difficulties they experienced using the Virtual Private Network (VPN) access. – *The Leader and the Cabinet Member for Finance agreed to contact all members asking for their particular problems using the IT equipment which would be collated and sent to Capita for them to address.*

81. Resolved – That

- (1) The Leader contacts all members to seek their views on IT access, with problems to be raised with Capita.
- (2) The minutes of the Performance and Finance Select Committee held on 4 July 2014, amended as above, be approved as a correct record, and that they be signed by the Chairman.

Part I Minutes of the joint meeting held on 4 July 2014

82. Resolved – that the Part I minutes of the joint meeting of the Committee with the Environmental and Community Services Select Committee held on 4 July 2014 be approved as a correct record, and that they be signed by the Chairman.

Part II Minutes of the joint meeting held on 4 July 2014

83. The Committee agreed that as they had no comments on the minutes it was not necessary to enter Part II to discuss their content.

84. Resolved – that the Part II minutes of the joint meeting of the Committee with the Environmental and Community Services Select Committee held on 4 July 2014 be approved as a correct record, and that they be signed by the Chairman.

Responses to Recommendations

85. The Committee considered responses from the Cabinet Member for Children - Start of Life, the Cabinet Member for Residents' Services, the Department for Environmental Food and Rural Affairs (DEFRA) and the Cabinet Member for Community Wellbeing (and Deputy Leader) on multiple recommendations agreed at the previous meeting of the Select Committee (copies appended to the signed minutes).

86. The Committee raised concerns over the response from the Cabinet Member for Community Wellbeing (and Deputy Leader). Members expressed concern over the vacancy rate and the impact it could have on customer service. – *The Leader reported that the issue stemmed from the transition of Public Health services to the County Council. The importance of hiring appropriately qualified staff was emphasised and the Leader sought to reassure the Committee that the Cabinet Member for Community Wellbeing (and Deputy Leader) was working hard to resolve the issue.*

Corporate Plan and Medium Term Financial Strategy 2015/16 to 2018/19

87. The Committee considered a report by the Cabinet Member for Finance and the Executive Director of Corporate Resources and Services (copy appended to the signed minutes).

88. The Cabinet Member for Finance introduced the report and explained that the main purpose of the strategy was to provide the assumptions behind the Revenue and Capital Budget for the period 2015/16 to 2018/19. The report stressed the continuing period of austerity and the need to plan for a reduction of Government funding support at a time of increasing demand on services. The strategy included conservative financial assumptions which had led to a reduced savings requirement of £124m over four years; with £36m of savings required in 2015/16. A healthy value of reserves would be maintained without retaining excessive funds that could be used to generate revenue. The strategy was based on the assumption of a Council Tax freeze for the fifth year. The Cabinet Member also highlighted the commentary on the Better Care Fund. Funding was tied directly to non-elective hospital admissions, the rationale being to reduce admissions. Money would then be freed to spend on local priorities determined through Health and Wellbeing Boards. This funding was under pressure if hospital admissions were not reduced.

89. The Committee made comments including those that follow. It:

- Queried if the assumption made on Council Tax revenue rise due to increased population growth considered the costs of growth, such as housing and infrastructure. – *The Cabinet Member for Finance confirmed that the County Council was working with the District and Boroughs to address the housing needs. It was explained that the report had not been written to the level that addressed infrastructure details, but confirmed that the Council Tax estimate was conservative based on historical experience.*
- Raised concerns that infrastructure obligations would not be met by developers. – *The Leader confirmed that the Strategic Economic Plan had outlined plans to ensure the County Council could monitor housing plans to ensure infrastructure demands were met.*
- Sought details on the timescale for delivering the Corporate Plan and when Members would see the details in order to begin reviewing the proposals. – *The Leader confirmed that the Corporate Plan would cover a four year period and would be debated at both December 2014 and the February 2015 full council. The plan would pull together priorities, performance measures and budget to ensure money was aligned with the agreed priorities.*
- Questioned the impact of the rate of reduction in school academy conversions on the Educational Support Grant (ESG). – *The Cabinet Member for Finance confirmed that the ESG had been calculated on the current conversion rate which may not be achieved. It was expected that maintained schools would continue to be funded and no penalty would be incurred due to the lack of anticipated academy conversions.*
- Queried how the responses to the resident consultation 'What Matters To You?' would be factored into the budget. – *The Cabinet Member for Finance explained that the results of the survey would be revealed at the scheduled member seminar in early November and was intended to aid members in the full council debate on the budget.*

90. Resolved – That the Committee:

- (1) Supports the recommendations in the report.
- (2) Raises the importance of considering and supporting infrastructure developments in the corporate planning process.
- (3) Acknowledges the pressures associated with the Better Care Fund and seeks assurance that these will be closely monitored.
- (4) Requests that members are able to review the Corporate Plan as part of the budget and medium term financial strategy process in order to understand how priorities are to be funded.

Total Performance Monitor

91. The Committee considered a report by the Executive Director of Corporate Resources and Services (copy appended to the signed minutes).

92. The Cabinet Member for Finance introduced the report, which set out the County Council's performance and risk position as at the end of August 2014. It was confirmed that a cost pressure had been identified around retained Fire Fighter ill health pension sums. Since 2006 injury retirements should have been funded from the revenue budget rather than the pension fund. The on-going costs had been correctly allocated but it remained uncertain how the accrued shortfall would be met. This was a national issue.

The Cabinet Member explained that in future TPM reports the information around workforce would be expanded to include both numbers and cost of employment.

93. The Committee made comments including those that follow. It:

- Queried if PropCo could provide affordable rental properties for keyworkers of the County Council in order to help with the staff shortfall in Public Health identified in the risk register. – *The Leader reported that this had been discussed at PropCo and remained under consideration.*
- Queried whether the workforce figures could also include percentage rates of vacancies which would help to monitor any areas of concern. - *The Cabinet Member agreed to consider this for future reports.*
- Raised concerns that the new Performance Dashboard had many red measures and asked if this was a result of too many high level measures or a lack of data in the system. – *The Leader confirmed that the measures were designed to be stretching. The Cabinet Member for Finance confirmed that the previous measures had all been internal whereas the new system monitored a number of key areas that were outside the direct control of the County Council.*
- Commented on the number of performance dashboard indicators that were reporting out-of-date information. *The Leader committed to investigating this and improving the information included.*

- Asked if the measures designed to help young people's readiness for school could effectively tackle literacy issues. – *The Leader confirmed that the focus would be on attendance of children during their key development years. It was also reported that the Chief Operating Officer was working with Primary and Secondary Headteachers in order to build relationships with the County Council to help with the targets.*
- Queried what work was being done to improve the growth of jobs. – *The Leader reported that there were specific examples where this was being worked on, such as the site in Crawley for Cancer Research and the Rolls Royce technology centre in Bognor Regis which would promote skilled workforce opportunities.*
- Questioned the Fire and Rescue Service entry on the risk register and if it should include the risk where whole-time fire-fighters have further to travel due to the 'Work to Rule' action by retained fire-fighters; therefore potentially increasing incident journey and response times. – *The Leader agreed to investigate the potential risk and report back to the Committee.*
- Queried the overspend reported in the Highways and Transport portfolio relating to On Street Parking & Blue Badges. – *The Executive Director of Corporate Resources and Services agreed to investigate and report back to the Committee.*
- Raised concerns on the increased level in requests for Deprivation of Liberty Safeguard (DOLS) assessments and the impact it could have.

94. Resolved –

- (1) That the Monitor be noted and the new format is welcomed.
- (2) That the Committee requests that the risk on DOLS is carefully monitored and that the Business Planning Group (BPG) consider if a Task and Finish Group would be appropriate.
- (3) That the Committee welcomes the stretching targets on the Performance Dashboard.
- (4) That the risk impact of the retained firefighters' 'Work to Rule' is considered on the Fire and Rescue Service.
- (5) That the Committee's concerns over the low attainment in GCSE results against the targets set is noted.
- (6) That the timeliness of performance dashboard information is improved.

Sickness Absence and Employee Health and Wellbeing

95. The Committee considered a report by the Director of Workforce, Organisational Development and Delivery Support (copy appended to the signed minutes).

96. The Principal Manager Policy and Practice introduced the report and welcomed comments and questions from the Committee. It was clarified that the Health and Wellbeing strategy mentioned in the recommendations referred to the health and wellbeing strategy for County Council employees and was not linked to the work of the Health and Wellbeing Board.

97. The Committee made comments including those that follow. It:

- Queried the stress intervention work and the reasons behind the low take up. - *The Principal Manager Policy and Practice reported that there was reluctance for people to admit stress related absences. Work was being done to educate staff in recognising signs of stress and create coping mechanisms. A toolkit was also being prepared for managers to help them spot the early signs of stress so that they could provide support at an earlier stage.*
- Asked if the Bradford Factor system was used to monitor absences. - *The Principal Manager Policy and Practice reported that this was not currently used but would be considered for future monitoring. It was reported that the Corporate Leadership Team (CLT) would begin receiving absence statistics on a regular basis to ensure absence policies were consistently applied.*
- Enquired about the level of staff morale and how it was monitored. - *The Principal Manager Policy and Practice told the Committee about the Annual Staff Survey which captured attitudes on morale. The Chairman of the Committee agreed to bring the survey results to the BPG for consideration linking this to employee engagement.*
- Queried if the level of smokers absence had been analysed and what work was done to promote healthy living to staff. - *The Principal Manager Policy and Practice reported that Stoptober was being promoted to staff to give up smoking. Joint work was also being undertaken with Public Health to ensure more information was made available to employees to help themselves.*
- Asked if the flu vaccinations were offered to staff members. - *The Principal Manager Policy and Practice confirmed that this had been offered to key workers previously. The Principal Manager Policy and Practice resolved to clarify the process with Public Health and report back to the Committee.*

98. Resolved – That the:

- (1) Committee supports the recommendations in the report.
- (2) County Council should consider looking into methods of analysing sickness trends in more depth.
- (3) Business Planning Group to look at the results of the staff survey and employee engagement.
- (4) County Council should continue to promote healthy living to staff members.

Scrutiny Performance

99. The Committee considered a report by the Director of Law, Assurance and Strategy and the Service Manager for Democratic Services (copy appended to the signed minutes).

100. The Senior Advisor introduced the report to the Committee and highlighted the successful joint working undertaken across scrutiny in the last six months.

101. The Chairman of the Environmental and Community Services Select Committee discussed the call in that had been received and explained the reasons why the BPG had rejected the request.

102. Resolved – That the:

- (1) Committee agrees for the Carers TFG results to be debated at the October full council meeting.

Business Planning Group report

103. The Committee considered a report by the Chairman of the Business Planning Group (copy appended to the signed minutes).

104. The Senior Advisor introduced the report to the Committee.

105. The Committee welcomed the use of the 5 November project day for the all member session on the Performance and Budget. Members requested that the invitation to all members should emphasise the importance of the event.

106. The report was noted.

Forward Plan of Key Decisions

107. The Committee considered the Forward Plan of Key Decisions for October 2014 to January 2015 (copy appended to the signed minutes).

108. The Forward Plan was noted.

Date of Next Meeting

109. The Committee noted that its next scheduled meeting will take place on 4 December 2014 at 10.30am at County Hall, Chichester.

The meeting closed at 1.10 p.m.

Chairman.