

Performance and Finance Select Committee

14 July 2017 – At a meeting of the Select Committee held at 11.30am at County Hall, Chichester.

Present: Mr Montyn (Chairman)

Mr Barrett-Miles	Mr Elkins	Mr Oppler
Mr Cloake	Mrs Kitchen	Mr Smytherman
Mr Crow	Mr Lea	Mr Turner
Mrs Dennis	Mrs Mullins	Mr Waight

In attendance by invitation: Mr Hunt (Cabinet Member for Finance and Resources).

Apologies for absence were received from Mr Bradbury and Mr Parikh. Apologies were also received from Ms Goldsmith.

* Mr Smytherman left at 1.24pm

** Mr Oppler left at 1.28pm

*** Mr Hunt left at 2.25pm

Declarations of Interest

1. Mr Cloake declared a personal interest in relation to the TPM (Social Worker recruitment and retention) as his wife works for the County Council as a Social Worker, and as a foster parent for a West Sussex child.
2. Mr Oppler declared a personal interest in relation to the TPM (Children Start of Life) as a foster parent to a West Sussex child.
3. Mr Smytherman declared a personal interest in relation to the TPM (Children's Social Care) as a Regulation 44 Inspector of private Children's Homes in West Sussex.

Minutes of the Previous Meeting

4. Resolved – That the minutes of the Performance and Finance Select Committee held on 15 March 2017 be approved as a correct record and that they be signed by the Chairman.

Committee Membership

5. The Committee noted its membership confirmed at Council on 16 May 2017.

Committee Terms of Reference

6. The Committee noted its Terms of Reference as in the Constitution.
7. The Committee made comments including those that follow. It:
 - Requested a summary list of key Council policies. *The Senior Advisor agreed to provide this to the Committee.*

- Requested a list of actions for officers be included within the minutes of the Committee. *The Senior Advisor explained that the minutes are a brief record of the matters discussed and recommendations made at the meeting, and suggested this request be discussed by the Committee's Business Planning Group.*

Appointment of Business Planning Group (BPG) Members

8. Resolved – following a vote the Committee appoints Mr Montyn, Mr Elkins, Mr Oppler, Mrs Mullins and Mr Waight to the BPG for the period of one year.

Total Performance Monitor: Outturn 2016/17 and May 2017 Reports

9. The Committee considered Total Performance Monitor (TPM) reports as at the end of financial year 2016/17 and as at the end of May 2017, produced by the Director of Finance Performance and Procurement (copies appended to the signed minutes). The Committee received presentations on Workforce Information by the Head of Change and Workforce and on Performance by the Head of Performance and Intelligence.

10. The Director of Finance Performance and Procurement introduced the reports and confirmed that the year-end process is progressing and the accounts are now under review by the external auditors. Pressure continued upon Adult and Child Social Care portfolios however the predicted overspend in Children's Social Care was less than expected due to lower numbers of Children Looked After and reduced agency usage in the last quarter of the year.

11. The Chief Accountant introduced the Outturn 2016/17 TPM. Three portfolios overspent as previously reported to the Committee but there was an underspend of £4m in the Non-portfolio budget which was moved into the Capital Reserve. The Savings Programme required £18m savings to be made and £15m were delivered. The Non-portfolio budget underspend was used to cover these pressures so there was no carry-over to the next financial year.

12. The Head of Strategic Finance outlined the main risk areas in the May 2017 TPM as Adult and Children's Social Care and both portfolios have had financial uplifts agreed as part of the budget process. In Children's Social Care there is a number of strategic transformation projects under way which will balance the budget. The savings position is positive with the only area of concern being Waste Services, as a result of ceasing charging for non-Household waste items pending review of the policy.

13. The Head of Change and Workforce (Care, Wellbeing & Education) confirmed that agency worker usage is decreasing which is encouraging. The demographic of Council staff indicates fewer younger employees come to work for the Council which may present succession issues and suggests a need to present the Council as an attractive employer. In addition there is a long service trend which provides good corporate memory but new thinking should be encouraged.

14. The Head of Performance and Intelligence introduced the Performance Dashboard as at the end of 2016/17 as a summary of performance challenges and achievements. The Child Healthy Weight initiative has been successful, though the Council's own target was missed the measure positively exceeded

the national trend, the initiative has achieved awards. Early provisional data for Key Stage 1 and 2 results was tabled at the meeting (copy appended to the signed minutes) and showed a positive trend of improvement.

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

- Queried the format and content of the TPM and whether it is an accessible document for all interested parties. *The Director of Finance, Performance and Procurement agreed to consider the issues raised for future TPM reports.*
- Queried the budget allocated for independent consultants in relation to the A27 Chichester Improvement Scheme. *The Chairman informed the Committee that the budget was allocated by the Leader following community engagement workshops as it was felt expert advice and fresh thinking was required. Officers will continue the work on the project, then consultants will assess and shape the requirements fed back by the public before both are developed into an option. The Cabinet Member for Finance and Resources explained that European solutions can provide significantly different approaches and this is valuable to the project.*
- Queried whether the Cabinet Member was satisfied with the way the Capital Programme 2016/17 has progressed, and expressed concern about the slippage in the Capital Programme and the continuity of officer resources. *The Cabinet Member for Finance and Resources is satisfied with how the Capital Programme 2016/17 has been managed. There are some incomplete projects that are ongoing and that he wishes to progress. Lessons have been learnt for improvements in future years and extra capacity is expected to be required. The Cabinet Member noted the Committee's concerns regarding officer continuity.*
- Queried the level of reserves maintained by the Council in this uncertain economic time and whether this is more or less than comparable authorities. *The Director of Finance Performance and Procurement confirmed that the level of reserves is examined as part of the budget process in discussion with the Cabinet Member. There is a general trend of councils reducing their reserves in recent years as a result of budget pressures and compared to other similar authorities the County Council's general fund reserves are slightly lower.*
- Queried the additional funding allocated to the Children Start of Life portfolio in 2017/18 and whether these initiatives provided a good return on spend. *The Director of Finance, Performance and Procurement confirmed that business cases are being developed in relation to these schemes and that further information would be included in future reports.*
- Queried whether the Council's initiatives to reduce the volume of agency workers used has been successful. *The Head of Change and Workforce confirmed that lots of work has been undertaken to encourage agency workers to take permanent contracts with the Council. The project is still in early days but it is having an impact as over the last 5 months appointments have doubled and staff turnover is reducing. This work is an ongoing challenge.*
- Expressed concern in relation to reducing the use of external residential placements for Children Looked After (CLA) as its felt that in some cases external placements can provide the best quality care for children with complex needs. Members agreed that a recommendation be made to the Children and Young People's Select Committee (CYPSC) for scrutiny of these matters. *Mr Cloake confirmed the CYPSC has looked at the*

commissioning strategy and would be pleased to receive the recommendation. The Director of Finance, Performance and Procurement explained that a commissioning strategy is under development to help manage the supply chain, to get agreed rates and to help place children appropriately. The best care for the child is looked at in line with the funding.

- Queried the budget transfer for Adults and Health in the Revenue Budget Monitor to the end of May 2017 following the portfolio realignment. *The Director of Finance, Performance and Procurement will clarify this and provide the information to the Committee.*
- Queried the variation of average earnings in West Sussex between geographical areas and whether any action is being taken to improve the coastal strip figures. *Officers confirmed that they are aware of the differences between areas and that a stronger focus is being placed on improving the coastal strip.*
- Members congratulated officers on the work achieved to improve the social care home targets.

16. Resolved –

- (1) That the Total Performance Monitors Outturn 2016/17 and May 2017 Reports be noted.
- (2) That the Business Planning Group be asked to consider the slippage within the Capital Programme.
- (3) That the strategic initiatives for Children's foster care placements, in-house placements and care commissioning be recommended for scrutiny by the Children and Young People's Select Committee.
- (4) That no issues have been highlighted by the service select committees to be taken to this Committee's Business Planning Group.

Quarter 4 Capital Programme Performance Monitor

17. The Committee considered a report by the Executive Director of Economy Infrastructure and Environment (copy appended to the signed minutes).

18. The Director of Economy, Planning and Place introduced the report which provides a status position on the Capital Programme as at 31 March 2017 and the Capital Programme 2016/17 Annual Report, and explained that significant reprofiling of assets is ongoing within the property team.

19. The Capital Programme Manager introduced the report detailing the position as at the end of 31 March 2017, outlined subsequent updates to the information and highlighted risks to the Programme.

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

- Appreciated the RAG status indicators to help monitor the projects but queried why the white classified projects were not included in the risks reported. *The Capital Programme Manager explained the white projects were those for which there is no report and the position is not known. The*

feedback will be taken onboard for future Capital Programme Performance reports.

- Expressed concern about the effectiveness of the 2016/17 Annual Report. Pictures in the report were not always helpful or indicative of the work done and are expensive to produce for a wider audience. *The Director of Economy Planning and Place confirmed that this Annual Report is designed to be a high level report for the public domain, providing a snapshot of how the Capital expenditure has been used and showing the positive outcomes of successful projects. The Capital Programme Manager understood the Committee's feedback and will take this into account for the next Annual Report. Narrative or information could be added to be more explicit about the successful projects to the uninformed reader, and the business case could be linked from the document where appropriate.*
- Queried whether the lessons learnt from schemes should be included in the reports. *The Capital Programme Manager agreed to consider this for future Annual reports.*
- Queried whether members could view the business cases for schemes. *The Capital Programme Manager confirmed that members are entitled to see individual business cases and these will be provided to Committee Members.*

21. Resolved –

- (1) That the Committee notes the Capital Programme Quarterly Performance report, and
- (2) That the Committee notes the Capital Programme 2016/17 Annual Report, and that future annual reports be more informative, reflect upon lessons learned and published on-line only.

Scrutiny Interim Work Programme: July – December 2017

22. The Committee considered a report by the Director of Law and Assurance which sets out the proposed process and timescale for work programme planning and provides information about the Performance and Finance Select Committee's interim work programme developed by the outgoing Committee and Business Planning Group.

23. The Senior Advisor introduced the report and invited the Chairmen of the Select Committees to provide an update to the Committee of their service select committee priorities for the forthcoming year as per Appendix B (copy appended to signed minutes).

24. The Chairman of the Environmental and Community Services Select Committee provided a verbal update on the Committee's work programme and confirmed the work programme timeline is mostly driven by external agencies. The A27 Arundel Lancing and Worthing scheme will likely come to Committee in the autumn, alongside the Fire Service/Police and Crime Commissioner matter and Waste Management facilities. Standard items remain in the work programme such as public safety and Sussex Police.

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

- Requested that when new reports come to the Committee on long-standing or returning items, the original reports reviewed by the Committee are circulated to members new to this Committee for the

benefit of context. *The Senior Advisor confirmed this will be provided where beneficial.*

- Queried the Asset Strategy work and whether the assets were currently under-valued. *The Cabinet Member for Finance and Resources explained that work is ongoing on the asset register and that the valuation of the assets is not far out. The key focus of the work is to identify all of the Council's assets rather than creating business cases for them.*
- Requested that local members be invited to the Environmental and Community Services Select Committee when the A27 consultation response is being scrutinised. *The Chairman of that Committee confirmed that this would be done.*

26. Resolved –

- (1) That the Committee approve the interim work programme for the Committee for July to December 2017, and
- (2) That the Committee approve the service select committee's interim work programmes for July to December 2017.

Scrutiny Performance Annual Newsletter

27. The Committee considered a report by the Director of Law and Assurance and the Head of Democratic Services which summarises the work of the Select Committees in 2016/17 and reports the performance data for the end of year.

28. The Senior Advisor introduced the report and explained the various data elements included in the Newsletter. A notable point fed back by select committee members was the timing of items as it was felt that scrutiny was often involved too late to help shape the decision which is something officers will work on improving in the coming year.

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

- Commented upon the importance of the Forward Plan of Key Decisions for enabling select committees to identify potential matters for scrutiny.
- Commended the good support provided to the select committees by the Democratic Services staff.

30. Resolved –

- (1) That the Committee notes the Scrutiny performance, and
- (2) That the Committee notes its role in improving scrutiny practice and identifying any training or development needs for Scrutiny Members.

Forward Plan of Key Decisions

31. The Committee considered the Forward Plan of Key Decisions August 2017 – November 2017 (copy appended to the signed minutes).

32. Resolved – That the Forward Plan be noted.

Possible Items for Future Scrutiny

33. The Committee queried the impact of school academisation on the Council's balance sheet and whether this is considered a risk. Members agreed to request information on this for the BPG to consider.

34. The Committee queried whether the £1m invested in Business Support Grants has been successful and recommended this be brought to the Business Planning Group for further discussion.

35. Members requested that the re-payment of debt and level of borrowing be reviewed. *The Senior Adviser confirmed that this had been looked at by the Committee as part of the 2017/18 budget process and Treasury Management Strategy. The reports would be circulated to new members of the Committee for information.*

Date of Next Meeting

36. The Committee noted that its next scheduled meeting will take place on Thursday 12 October 2017 at 10.30am at County Hall, Chichester.

The meeting closed at 2.48pm.

Chairman.