

Agenda Item No. 2

Unconfirmed minutes – subject to approval/amendment at the next meeting of the Performance and Finance Select Committee

Performance and Finance Select Committee

15 March 2017 – At a meeting of the Select Committee held at 10.30am at County Hall, Chichester.

Present: Mrs Urquhart (Chairman)

Ms James	Mrs Millson	Mr Tyler
Mrs Kitchen	Mr Montyn	Mr Waight
Mr Lamb	Mr R Rogers	Mr Watson
Mr McAra	Mr Turner	

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

Apologies for absence were received from Mr Cloake, Mr Glennon and Mr Metcalfe.

* Ms James left at 11.47am

Declarations of Interest

157. None declared.

Minutes of the Previous Meeting

158. Resolved – That the minutes of the Performance and Finance Select Committee held on 19 January 2017 be approved as a correct record and that they be signed by the Chairman.

Part I Minutes of the joint meeting with Environmental and Community Services Select Committee (ECSSC) held on 15 September 2016

159. Resolved – That the Part I minutes of the joint meeting with Environmental and Community Services Select Committee (ECSSC) held on 15 September 2016 be approved as a correct record and that they be signed by the Chairman.

Part I Minutes of the joint meeting with ECSSC held on 11 January 2017

160. With reference to minute 23. in the Part II Minutes, members expressed disappointment that a site visit to the proposed Solar Farm could not be arranged.

161. Resolved – That the Part I minutes of the joint meeting with ECSSC held on 11 January 2017 be approved as a correct record and that they be signed by the Chairman.

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Cabinet Member's Response to the Committee's Recommendations from 19 January 2017

162. Resolved – that the Committee notes the Cabinet Member's Response to the Committee's Recommendations from 19 January 2017.

Total Performance Monitor as at end of December 2016 and January 2017

163. The Committee considered Total Performance Monitor (TPM) reports as at the end of December 2016 and January 2017, produced by the Director of Finance, Performance & Procurement (copies appended to the signed minutes). The Committee received a presentation on Performance by the Insight Analyst.

164. The Cabinet Member for Finance introduced the item, highlighting that the end of year outturn position was for a slightly increased overspend. This is mainly due to the increased level of demand for adult social care services, the demand in West Sussex having increased over the past two years is reflecting the national trend. The Cabinet Member for Finance welcomed the Government's Budget announcement of £2 billion for adult social care grants and confirmed the Council are to receive £11m in the coming year 2017/18. It was confirmed that the children's social care portfolio overspend had reduced by £0.5m. The Cabinet Member welcomed and commended officers for the new performance dashboard format allowing a one page overview of performance within key council services.

165. The Director of Finance, Performance and Procurement confirmed that the increase in demand for adult social care would be monitored in order to understand the implications for the next financial year. It was confirmed that the conditions attached to the Government grant for adult social care are not yet known, and that once these are understood the grant should be viewed as bonus funding. No decisions have been made about allocation of the funds but they could potentially be used in prevention initiatives. The Director of Finance, Performance and Procurement confirmed that after pressure at the end of the summer in children's social care, the demands on the service have since stabilised and numbers of looked after children have reduced from the summer peaks. Work is ongoing to aim to reduce this further. It was confirmed for the Committee that the social worker recruitment project is due to launch in the new financial year to attract employees to the care sector.

166. The Director of Finance, Performance and Procurement explained that the workforce strategy and risk sections in the TPM had been altered from January 2017 onwards. Improved workforce performance indicators are being created to provide more detail and better information, and it is anticipated this will come before the Committee in July 2017. The reporting of risk has been reviewed and changes have been agreed by the Regulation Audit and Accounts Committee (RAAC) in a revised Risk Strategy. It is proposed that the review of risk management is undertaken by RAAC and it will receive a report on controls and the quarterly corporate risk register.

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

- Queried the benefits of updating the workforce performance indicators and reporting, and asked whether the necessary IT systems were in place to give the desired information. *The Cabinet Member for Finance explained that the new indicators would enable a high level view of staffing and help provide a more meaningful quarterly report for the Committee, including interim and agency workers. The Director of Finance, Performance and Procurement confirmed that the SAP project is currently paused; whilst it takes more time to produce the information this way it is a worthwhile investment of time in order to provide more meaningful and useful workforce information to officers and members.*
- Expressed a desire that the Committee be involved in the process of updating the workforce performance indicators. *The Leader explained that the Executive Leadership Team felt this was necessary to give a better staffing overview in relation to succession planning, that the proposed changes would reflect this Committee's comments over the years and agreed that it is appropriate for this to come to the Committee for scrutiny. It was proposed that the Committee be updated as this project progresses.*
- Expressed concern about the appropriate scrutiny of risk following changes to reporting. The Risk Strategy states that members should be aware of arrangements for and scrutinise the management of risk relating to their area of scrutiny, and the Committee queried whether this was possible without more detailed risk information being included in the TPM or as a separate item. The Committee suggested that RAAC should review the risk process in finer detail and that Select Committees should have a role in scrutinising the management of specific risks in relation to their portfolio areas of responsibility. This is to be added to the Business Planning Group's forward programme for agreement.
- Queried what the extra adult social care funding grant will be used for, when this is expected to be implemented within the service and whether neighbouring councils receiving the grant will make it more difficult to attract care sector staff to West Sussex. *The Leader welcomed the funding and confirmed it will be £25m over three years, front-loaded, with £11m expected in 2017/18. Conditions on the use of the grant are not yet known. Officers are investigating whether it will be considered as revenue or capital funding and whether it can be carried over to the following years if unspent. As the Council budget was balanced and approved in February 2017 without the additional money, it is envisaged that this could be used for further preventative or support works to gain long term benefit. The issue of recruitment to the care sector in the south east is well known; increasing pay is one area the Council may have to look at but it is crucial that standards must be maintained. Confirmed that the proposed plans on how the funds will be spent will be available for scrutiny in due course.*
- Expressed concern that the significant difference between the Gross Value Added per head of population in the north east and south west of the county could indicate that not enough investment is coming to the south east and coastal areas of West Sussex. *The Leader explained that the statistics back up what the members know anecdotally, that the Gatwick Diamond area is attractive for business but that the coastal areas have a*

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different appeal. The Bognor Creative Digital Hub has launched and it is expected the area will see the benefit within three years. A growth deal is due to be signed with Worthing imminently, and work is under way for growth deals with Arun and then Chichester.

- Expressed concern regarding education statistics generally and the drop nationally from a position of 7th in the world to 27th. Key Stage 2 primary achievement levels were particularly queried what is being done to improve the standard of achievement before schooling starts. *The Leader highlighted that many children are lacking skills when they start school which inhibits achievement. The recently launched 1001 Critical Days Manifesto targets children from birth to two years of age to ensure they are fully prepared and sufficiently developed in readiness for starting school. The work is backed by child development research and has been developed in partnership with midwives and the NHS to identify families who will benefit from early help and prevention measures and support in nurturing the child.*

168. Resolved –

- (1) That the December and January Total Performance Monitors be noted.
- (2) That the proposed changes to the content of future TPM reports, in particular the removal of the risk section of the report, are agreed but that arrangements are made to enable Select Committees to scrutinise specific risks when appropriate.
- (3) That the changes to workforce performance indicators be brought back to the Committee for scrutiny, and that the Committee receive an update on the adult social care grant once the conditions are known and initial plans for spending are established.
- (4) That there is no requirement for further scrutiny of the reports by other select committees.
- (5) That the Committee's Business Planning Group take forward discussion of the appropriate scrutiny of risk.

Capital Programme Quarterly Performance Report

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

170. The Capital Programme Manager introduced the report detailing the position as at the end of December 2016 and outlined subsequent updates to the information.

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

- Queried the reduction to the capital spend projection in relation to the original budget, and whether overly optimistic projections are being made in relation to larger projects. *The Cabinet Member for Finance explained*

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that it is an honest projection, a proportion of it is LEP funding which has been put on hold, and shows where projects have been slipped. Long term projects are likely to encounter slippage but must be reported accurately. The Director of Economy Planning and Place confirmed that this is a new way of reporting, with new governance arrangements and that some teething troubles with profiling have been identified and rectified. Some instances of slippage are outside of the Council's control. There is a need for improvement in planning and profiling projections for larger projects, and this is expected to improve under the new governance.

- Requested that the work on profiling for the Capital Programme is brought back to Committee for further scrutiny. *The Director of Economy Planning and Place confirmed that this is being looked at currently and will be brought back to Committee.*
- Expressed concern regarding performance in the Highways and Transport portfolio, with a high proportion of projects rated Amber and one Red. Members queried whether the Council has de-skilled the department and therefore struggles to complete the projects as predicted. *The Director of Economy Planning and Place explained that the profiling process for section 106 monies had allocated or spent all monies this year. Transport schemes are often complex and prone to delay and slippage as they are reliant upon other agencies, for example utilities and developers. The Leader reinforced this point and stated that the new way of working makes it easier to identify project issues.*
- Queried why some smaller projects seem to take a long time to deliver, whether staff resource is concentrated on larger projects and how the progress of projects is fed back to local members. *The Director of Economy Planning and Place confirmed that if a project is at risk of not being delivered it would be highlighted and that there are no current concerns about having to return s106 funds. It was suggested that the Head of Planning could present to the Committee on s106 should there be any further concerns. The Leader suggested that if members wished to review monitoring of s106 a short Task and Finish Group could be convened on the issue after the Council elections; this was welcomed by the Committee.*
- Queried what was being done with the £10m set aside for the A27 Chichester Bypass works following the cancellation of the project by Chris Grayling, Secretary of State for Transport. *The Cabinet Member for Finance confirmed that this would stay in reserves until required and managed as part of the normal Treasury Management processes, it may be utilised as internal borrowing whilst the Leader continues to progress this issue.*

172. Resolved – That the Committee notes the Capital Programme Quarterly Performance report.

Business Planning Group Report

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

174. The Senior Advisor summarised the report to the Committee, and confirmed that feedback from the Cabinet Member for Finance and Cabinet

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Member for Corporate Relations on their priorities for the forthcoming year had been included in the future work programme.

175. Resolved –

- (1) That the inclusion of items in the 2017/18 work programme as per Appendix A be supported.
- (2) That the latest Task and Finish Group Rolling Programme as per Appendix B be noted.

Forward Plan of Key Decisions

176. The Committee considered the Forward Plan of Key Decisions April 2017 – July 2017 (copy appended to the signed minutes).

177. Resolved – That the forward Plan be noted.

Date of Next Meeting

178. The Committee noted that its next scheduled meeting will take place on Friday 14 July 2017 at 11.30am at County Hall, Chichester.

Exclusion of Press and Public

179. Resolved - That under Section 100(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Part I, of Schedule 12A, of the Act by virtue of the paragraph specified under the item and that, in all the circumstances of the case, the public interest in maintaining the exemption of that information outweighs the public interest in disclosing the information.

The meeting closed at 12.17 p.m.

Chairman.

Summary of Matters discussed in the absence of the Press and Public

Part II Minutes of the joint meeting with ECSSC held on 15 September 2016

180. Resolved – That the Part II Minutes of the joint meeting with ECSSC held on 15 September 2016 be approved as a correct record and that they be signed by the Chairman.

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Part II Minutes of the joint meeting with ECSSC held on 11 January 2017

181. Resolved – That the Part II Minutes of the joint meeting with ECSSC held on 11 January 2017 be approved as a correct record and that they be signed by the Chairman.

Cabinet Member's Response to the Committee's Recommendations on the Westhampnett Solar Farm Development

182. Resolved – That the Cabinet Member's response be noted.

Cabinet Member's Response to the Committee's Recommendations on the Procurement Strategy for Future Management of Refuse Derived Fuel

183. Resolved – That the Cabinet Member's response be noted.