

MINUTES of the meeting of the **COUNCIL OVERVIEW AND SCRUTINY COMMITTEE** held at 10.00am on Wednesday 13 June 2012 at County Hall, Kingston upon Thames.

These Minutes are subject to confirmation by the Committee at its meeting on 11 July 2012.

Members:

- * Mr Mel Few (Chairman)
- A Mark Brett-Warburton
- * Mr Stephen Cooksey
- * Mr Steve Cosser
- * Mrs Clare Curran
- * Dr Zully Grant-Duff
- * Mr David Harmer (Vice-Chairman)
- A Mr Eber A Kington
- A Mrs Sally Marks
- * Mr Steve Renshaw
- A Mr Nick Skellett CBE
- * Mr Chris Townsend
- * Mrs Denise Turner-Stewart
- * Mr Richard Walsh
- * Hazel Watson

In attendance:

- * Ms Denise Le Gal (Cabinet Member for Change & Efficiency)

Substitutes:

- * Mr Nick Harrison

* = present
A = apologies

PART 1

IN PUBLIC

74/12 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS [Item 1]

Apologies were received from Mark Brett-Warburton, Eber Kington, Sally Marks and Nick Skellett. Nick Harrison substituted for Eber Kington.

75/12 MINUTES OF PREVIOUS MEETING: 16 MAY 2012 [Item 2]

It was agreed that the first sentence of the first bullet point on page three be deleted and the second sentence amended to read as follows:

“The Committee was informed that the Treasury Management PVR (COSC 35) had been postponed pending the recruitment of a new Treasury Manager, and an appointment would be made shortly”.

The minutes were otherwise agreed as an accurate record of the meeting.

76/12 DECLARATIONS OF INTERESTS [Item 3]

There were no declarations of interests.

77/12 QUESTIONS AND PETITIONS [Item 4]

There were no questions or petitions.

78/12 RESPONSE BY THE EXECUTIVE TO ISSUES REFERRED BY THE SELECT COMMITTEE [Item 5]

It was noted that the recommendation to lobby Surrey MPs and MEPs to support a change in procurement law would be considered at its meeting on 19 June 2012, and that a response would be considered by the Committee at its meeting in July 2012.

79/12 RECOMMENDATIONS TRACKER [Item 6]

Declarations of interest: None.

Witnesses: None.

Recommendations:

None.

Actions/further information to be provided:

- Denise Turner-Stewart reported that she would be leading a review of the Countryside Estate. Concern was expressed that this would duplicate work already proposed by the Environment & Transport Select Committee. It was agreed that scoping documents for both proposed reviews would be considered by the Committee at its next meeting.
- COSC 72: The date for the seminar on the Resident’s Survey to be confirmed with Members as soon as possible

Committee Next Steps:

The Committee will review the recommendations tracker at its next meeting on 11 July 2012.

80/12 **FORWARD WORK PROGRAMME [Item 7]**

Declarations of interest: None.

Witnesses: None.

Key points raised during the discussion:

- Concern was expressed that the proposed Communications item on the Committee's forward work programme would duplicate the work being carried out by the Public Value Review (PVR) group. It was stated that there was a need for the subject to be discussed in public at the Committee, as the PVR group's work was not in the public domain. It was suggested that the findings of the group be reported to the Committee once its work had concluded.
- The view was expressed that there was a lack of clarity regarding the appointments process for Member Reference Groups and that group leaders should be better involved.
- The view was expressed that the Troubled Families item on the Children & Families Select Committee work programme would require a co-ordinated approach, as some of the potential outcomes fall within the remit of a number of different Select Committees.

Recommendations:

None.

Actions/further information to be provided:

- Scoping documents for Surrey Wildlife Trust Task Group and the proposed work being led by Denise Turner-Stewart to be submitted to the Council Overview and Scrutiny Committee for approval.
- Members to be provided with an explanation of the One Team review programme, including the reporting arrangements, the process for agreeing Member involvement and the role of the Council Overview & Scrutiny Committee.
- The Chairman to discuss the role of Council Overview & Scrutiny Committee with the Leader in order to ensure that the Committee is able to carry out a strategic overview of the County Council's review processes and that the functions of the Committee are understood by Cabinet Members.
- That the Adult Social Care Select Committee consider whether any further scrutiny is required on those matters where the Internal Audit opinion is 'Significant Improvement Required' [Action by: Leah O'Donovan].
- That the item on Business Continuity be deferred to October 2012.

Committee Next Steps:

The Committee will review the forward work programme at its next meeting on 11 July 2012.

81/12 **YEAR END FINANCIAL POSITION 2011-12 [Item 8]**

Declarations of interest: None.

Witnesses: Alison Braithwaite (Head of Transformation)
Kevin Kilburn (Financial Reporting Manager)

Denise Le Gal (Cabinet Member for Change & Efficiency)

Key points raised during the discussion:

Year Outturn:

- The Committee was advised that of the £3.5 million underspend in the Schools & Learning budget, £2.9 million was towards the Delegated Schools Budget which was beyond the Council's control, and £0.6 million was under spent by the County Council.

Members information:

- It was suggested that National Insurance contributions in annexe D be shown as an overall total instead of an individual figure per Member.
- It was suggested that Member attendance figures be adjusted to better reflect individual membership of Committees.

Recommendations:

That the above suggestions be implemented.

Actions/Further Information to be provided:

- The 'Employers NI & Superannuation' column in annexe D to be replaced with a column showing Superannuation, with National Insurance contributions shown only as an overall total.
- Presentation of Member attendance figures to be adjusted in order to better reflect individual membership of specific Committees.

Committee Next Steps:

None.

82/12 **FINANCIAL REGULATIONS [Item 9]**

Declarations of interest: None.

Witnesses: Al Braithwaite (Head of Transformation)
Kevin Kilburn (Financial Reporting Manager)

Denise Le Gal (Cabinet Member for Change & Efficiency)

Key points raised during the discussion:

- The Chairman informed the Committee that as the Financial Regulations had not been received, this item had been withdrawn.
- It was recommended that the final version include a summary which detailed the changes proposed.
- It was suggested that when available, this report be submitted to the Committee's Finance Sub-Group for scrutiny, who would then submit comments to the Council on behalf of the Committee.

Recommendations:

That the Finance Sub-Group to review the Financial Regulations on behalf of the Committee and submit comments to the County Council.

Actions/Further Information to be provided:

Officers to provide a cover report to the Financial Regulations paper outlining changes to the original document.

Committee Next Steps:

The Finance Sub-Group will review the Financial Regulations on behalf of the Committee and submit comments to the County Council.

83/12 **HUMAN RESOURCES [Item 10]**

Declarations of interest: None.

Witnesses: Matthew Baker (Deputy Head of Human Resources & Organisational Development)
Neil Bradley (Human Resources Group Manager)
Abid Dar (Equality and Diversity Manager)
Hannah Dwight (Human Resources Central Team Manager)
Catherine Edwards (Organisational Development Advisor)
Julie Fisher (Strategic Director for Change & Efficiency)
Emily Kearl (Deputy Human Resources Manager)
Carmel Millar (Head of HR and Organisational Development)
Rakhi Saigal (Deputy Human Resources Relationship Manager, Children Schools & Families)

Denise Le Gal (Cabinet Member for Change & Efficiency)

Key points raised during the discussion:

The Chairman introduced the topic with the following comments:

- This was the first of the scrutiny of the individual services within the CAE and CEO service.
- The objective being to understand the strategy of the service and the Committee to ensure itself that the strategies outlined would support the achievement of the strategies.
- In response to the initial question on what the “biggest” challenge facing the HR was, the head of HR responded that the biggest challenge Human Resources currently faced were issues around pay and the reward system. Pay freezes taking place in the context of inflation meant that the Council had to do a lot more with a lot less.

Effectiveness of the training programme:

- Members asked how the outcomes of staff training were measured. Concern was expressed that performance was not benchmarked against other authorities. Officers responded that there were internal measures in place that recorded the impact and quality of training, including course inspections, random trainer testing and attendee reviews.
- Other measures included a system whereby staff has a discussion with their manager three months after a training session to understand how the new skills have been applied in the workplace. In terms of benchmarking, it was still possible to compare against other authorities using the Best Value Indicators, but the aim was to use a more sophisticated approach so different staff groups could be analysed.

Performance appraisals:

- The Committee expressed its grave concern that the Council's target of 85% of all staff to have had an appraisal had not been met. Officers responded that this result had not taken into account the fact those appraisals in the Adult Social Care service had been delayed due to service reorganisation. As a consequence when the staff survey was carried out staff were not able to say that they had had an appraisal in the last 12 months. There were also other issues including maternity leave, long term sickness and staff on notice periods.
- Members felt that appraisals would be a key challenge for HR going forward, and stressed the importance of senior managers supporting the process. Concern was also expressed that the small increase in staff finding their appraisal useful suggested that the process was too bureaucratic.

Other items discussed:

- The Committee was informed that career development and progression were encouraged through a number of different channels, including the advertising of some promotions on the s:net, discussions during appraisals and training.
- It was suggested that the Council's equalities targets needed to realise the needs and career development of male as well as female employees. Members also suggested that the organisation should do more to actively recruit men. Officers responded that although it was important for both male and female staff to realise their career goals, at present 24% of Surrey County Council's employees were men, with 55% of senior management positions being occupied by men, and that it was important for the organisation to have women more proportionately represented at the senior level.
- Concern was also expressed at the Council's relatively low turnover rate of 12.2% in comparison to the public sector's national average of 12.6%. A view was expressed that the Council should ideally have a higher turnover rate in order to ensure that new ideas and experience were being brought into the organisation. Officers acknowledged this view and informed the Committee that they were looking at putting processes in place to encourage the return of former staff, including secondments to other organisations.

(Chris Townsend left the meeting at 11.52am)

- Officers were asked to confirm what measures were in place for supporting staff in the face of pay freezes, discontinuing of incremental progression, and reducing of redundancy payments. The Committee was informed that a wide variety of staff training and development were available. It was also stated that of the 150 redundancies in the Council last year 75 were voluntary.
- It was suggested that a study be undertaken to understand more about the specific grade levels and expertise the Council was losing. The retention of staff in the Highways Team was highlighted as a particular issue. Officers responded that some skill shortages were not a result of systemic problems at Surrey County Council, though required more creative approaches to developing employees.
- The Committee was informed that a Workforce Plan was currently being developed which would be included in the business planning process. Officers stated that this was a live process and the final plan would be submitted to the People, Performance & Development Committee by the end of 2012.
- A question was asked about the need for a Rapid Improvement Event (RIE) for HR. Officers responded that the RIE was necessary because Local Government was constantly changing and there was a need for the organisation to be forward-looking and to improve.
- Concern was expressed at the fact that recent Staff Survey results showed the percentage of employees who would speak highly of the Council as an employer was very low. It was suggested that information be provided to

show the impact of actions put in place to combat stress and workloads. Officers responded that figures would hopefully improve following implementation of an updated People Strategy. Other measures in place included support to managers through the change process to help them carry out effective wellbeing assessments and deal with absence from work. It was also stated that the average number of sickness days had reduced from 13.8 days to 7.6, which reflected a positive change.

(Steve Renshaw left the meeting at 12.38pm)

Recommendations:

- a) That a future Human Resources item on the subject of career development, succession planning, training, coaching, exit interviews and the appraisal process to be added to the Committee's forward work programme for October 2012.
- b) Future reports to contain more comparative data for benchmarking.
- c) That a one-page outline about the issues highlighted in section 7 of the report be sent to Members of the Committee to prompt ideas for future discussions.

Actions/Further Information to be provided:

- Officers to circulate current workforce plan to Members of the Committee.
- A future Human Resources item on the subject of career development, including succession planning, training, coaching, exit interviews and the appraisal process to be added to the Committee's forward work programme for October 2012.
- That further information be provided to the Committee on the following issues:
 - The balance of training and development opportunities between services
 - The percentage of County Council employees who currently live in the County

Committee Next Steps:

The Committee will scrutinise a further item on Human Resources at its meeting in October 2012.

84/12 **SCRUTINY ANNUAL REPORT [Item 11]**

Declarations of Interest: None.

Witnesses: Jacqui Hird (Scrutiny Manager)

Denise Le Gal (Cabinet Member for Change & Efficiency)

Key Points Raised During the Discussion:

- It was recommended that the document be updated to reflect current Committee membership.
- The view was expressed that Select Committees should see all reports within their remit prior to their consideration by Cabinet, so that the executive could take the Committees' views into account when making a decision. This was noted as a particular issue with regards to the budget monitoring reports.
- It was suggested that there be a standing item on the Cabinet's agenda which considered COSC's input to reports reviewed by the Cabinet.
- It was reported that the Winter Maintenance Task Group had been short-listed for the Centre for Public Scrutiny's Good Scrutiny Award and, although unsuccessful, this was a good endorsement of the scrutiny work undertaken by the Council.

Recommendations:

- a) It was suggested that work be undertaken to understand the influence of Select Committee recommendations on decisions made by the Cabinet.
- b) That the report be distributed to all Members, internal Officers (via the s-net) and stakeholders.

Actions/Further Information to be provided:

- Officers to circulate details of the Winter Maintenance Task Group's nomination for a Good Scrutiny Award to all Members.
- That Select Committee Memberships listed in the report be updated to reflect the current Membership.

Select Committee Next Steps:

None.

85/12 **COMPLETED AUDIT REPORTS [Item 12]**

Declarations of interest: None.

Witnesses: Diane McKay (Audit Performance Manager)

Key Points Raised During The Discussion:

- The Committee was informed that all of the original actions bar one had been completed in relation to the Agency Staff Contract audit, although there was one outstanding action relating to a deed of variation.

Actions/further information to be provided:

None.

Recommendations:

None.

Committee Next Steps:

The Committee will receive a further audit report at its meeting on 11 July 2012.

86/12 **DATE OF THE NEXT MEETING [Item 13]**

Noted that the next meeting of the Committee would take place on 11 July 2012.

[Meeting ended: 1.07pm]

Chairman