

MINUTES of the meeting of the **COUNCIL OVERVIEW & SCRUTINY COMMITTEE** held at 10.00 am on 17 April 2013 at Ashcombe Suite, County Hall, Kingston upon Thames, Surrey KT1 2DN.

These minutes are subject to confirmation by the Committee at its meeting on Friday, 7 June 2013.

Members:

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

Ex-officio Members:

Mrs Lavinia Sealy, Chairman of the County Council
Mr David Munro, Vice Chairman of the County Council

* = present

42/13 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS [Item 1]

Apologies were received from Mark Brett-Warburton, Mel Few, Zully Grant-Duff, Sally Marks and Chris Townsend. There were no substitutions.

In Mel Few's absence David Harmer, the Vice-Chairman, acted as Committee Chairman for this meeting.

43/13 DECLARATIONS OF INTEREST [Item 2]

There were no declarations of interest.

44/13 QUESTIONS AND PETITIONS [Item 3]

There were no questions or petitions to report.

45/13 RESPONSES FROM THE CABINET TO ISSUES REFERRED BY THE SELECT COMMITTEE [Item 4]

There were no referrals made to Cabinet at the last meeting so there were no responses to report.

46/13 DEMOCRATIC SERVICES: SCRUTINY REPORT 2012/13 [Item 5]

Declarations of interest: None.

Witnesses:

Bryan Searle, Senior Manager for Scrutiny and Appeals, Democratic Services
Rachel Yexley, Scrutiny Manager, Democratic Services

David Hodge, Leader of the Council

Key points raised during the discussion:

1. The Committee was presented with the Scrutiny Report for 2012/13 and invited to make comment. Members expressed the view that there was often an issue with timing in relation to scrutiny of specific topics. It was widely felt that a greater emphasis should be on policy development rather than review. It was highlighted that overview was one of the principal purposes of any Select Committee.
2. Members commented that the role of Council Overview & Scrutiny Committee (COSC) still needed some clarification, in particular how it operated in relation to other Select Committees. It was also highlighted that the Committee would need to resist asking detailed questions when matters relating to a specific directorate arose. It was proposed that COSC could, in part, direct their concerns for scrutiny by the other Select Committees through the recommendations process.
3. The Committee held a discussion around the need for better financial training for Members. It was also felt that the reports should be written in a manner that enabled a member of the public to understand them.
4. The Committee commented that there was a need to ensure that recommendations were followed up in a more accountable and transparent way. It was proposed that the recommendations tracker was restructured to include a greater clarity around accountability and whether a recommendation had been achieved. Officers agreed that these changes should be implemented.
5. The Committee highlighted the need to ensure that Members had an understanding of the principles and methods involved in scrutiny. In particular it was suggested that Members could be supported through training in effective scrutiny and improved questioning.
6. The Committee discussed induction for new Members following the election in May 2013. It was felt that induction materials needed to be more engaging and resist using jargon. Some frustration was expressed regarding the occasionally poor Member engagement with Select Committees, and it was requested by the Committee that the respective Leaders of the political groups challenged their Members when this was found to be the case.
7. A discussion was held around the nature and length of the reports supplied in Select Committee agenda papers. The Committee strongly supported the principle that "less is more" in terms of the number of items scrutinised by committees at each meeting. It was also

suggested that the aim should be to have short reports in bullet-point format, and this could be trialled with one committee.

8. The Committee raised the need for improved public engagement, and suggested that links should be made with Local Committees through the Community Partnership Team. However, concerns were also raised that the distinction between the Local Committees and Select Committees needed to remain clear to residents.
9. Members suggested that there was a requirement to incorporate the views of service users and residents more in the scrutiny process. The Health Scrutiny Committee was cited as an example of where there had been particularly successful community and stakeholder engagement.
10. Members held a discussion regarding their opportunity to input into the document, it was agreed that officers would ensure that Member feedback was taken into account.
11. The Committee commented that there appeared to be some changes to staffing structures within the support for Democratic Services. It was confirmed by officers that this had been undertaken to make the best use of resources.
12. The following amendments to the annual report were agreed:
 - The outcomes and impacts of the work of the Supporting Families Task Group to be added to the paragraph on page 4.
 - The first line of the 'Every School a Good School' paragraph on page 5 to read "even before Cabinet announced..."
 - The report to stress the fact that Member engagement is crucial in order to achieve effective scrutiny.

Recommendations:

- a) That subject to the amendment listed above, the annual report be circulated to Members and stakeholders, and made available to Council officers via S-Net.

Action by: Bryan Searle/Rachel Yexley

- b) That a response be sent to Members in relation to the improvements to the scrutiny process suggested at the meeting, and that, where appropriate, revised scrutiny arrangements be adopted following the County Council elections.

Action by: Bryan Searle/Rachel Yexley

Actions/further information to be provided:

A response to be provided as outlined in recommendation b).

Committee Next Steps:

None.

47/13 STRENGTHENING THE COUNCIL'S APPROACH TO INNOVATION [Item 6]

Declarations of interest: None.

Witnesses:

Julie Fisher, Strategic Director for Change & Efficiency

David Hodge, Leader of the Council

Key points raised during the discussion:

1. The Strategic Director for Change & Efficiency briefly outlined the Cabinet reports concerning the Council's approach to innovation. It was highlighted that the intention was to develop a systemic approach to innovation, and also consider the various models of delivery that this could entail.
2. The Committee commented that there was a need to develop innovative thinking around processes, and to look at examples of this from both the public and private sector. Members expressed the view that they felt that the Council should pursue innovative thinking, rather than innovation. The Rapid Improvement Events (RIEs) were highlighted as an example of innovative thinking.
3. Members raised a question concerning the commissioning and co-production processes and how this was being informed by innovation. Officers commented that co-design with service users and stakeholders was central to the commissioning process. It was confirmed that a commissioning framework was being developed across the County Council.
4. The Committee made a number of comments about the role of community engagement with regards to setting out the priorities of the County Council. It was highlighted that this was necessary for ensuring residents felt involved and informed on a local level. The Strategic Director for Change & Efficiency agreed that Local Committees should have a role in the consultation around service delivery and innovation.
5. The Committee discussed the proposals to set up a trading company owned by the County Council. Officers commented that the nature of any company, and who sat on the shareholder board would be defined by the business case in each instance. It was highlighted that the risks identified around setting up a trading company would be a key consideration. It was confirmed that the Council Overview & Scrutiny Committee would have the responsibility of scrutinising any governance arrangements in relation to a trading company owned by the County Council. Members commented that the Council needed to decide what it did well and research the possibilities around any trading venture carefully.

6. The Committee commented that the success of the Rapid Improvement Events (RIE) and Public Value Reviews (PVR) should inform the innovation agenda. Members expressed the view that the success of the RIEs lay in the ability to utilise practitioners' insight and also ensure they felt they had ownership around the changes proposed. The Leader of the Council confirmed that RIEs would still remain a part of the process around developing innovation.
7. Officers informed the Committee that they would have the opportunity to review the refreshed Corporate Strategy for 2013-17 which would be presented to Cabinet in June 2013.

Recommendations:

None.

Actions/further information to be provided:

None.

Committee Next Steps:

The Committee will continue to scrutinise future proposals related to the innovation agenda and any potential business case for a County Council owned trading company.

48/13 FINANCIAL MANAGEMENT NEW TECHNOLOGY PROJECT [Item 7]

Declarations of interest: None.

Witnesses:

Sian Ferrison, Transformation and Development Manager

Kevin Kilburn, Financial Reporting Manager

Key points raised during the discussion:

1. The Committee asked for further details regarding the appointment of a new Project Manager. Officers confirmed that changes within the team had enabled the project to move forward and that the technical issues which had been identified were being resolved.
2. Members asked whether the financial management reporting package was bespoke. Officers clarified that it was off-the-shelf software that was being developed to meet the Council's reporting requirements. It was confirmed that the user community for the new software was estimated to be around 2,000. It would be used by every manager for sickness absence reporting, every budget holder for budgeting monitoring and those staff who support them in these management roles.
3. The Committee was informed that it was anticipated that the technology would go live in the next 6 months. Officers stated that the key challenge remaining related to the testing processes. User

acceptance testing was being undertaken and 85% of the business testing scripts had been completed. The go live date would be dependent on any defects found through the remainder of the testing phase.

4. Members raised a question as to whether the technology could be used in conjunction with Surrey-i. Officers commented that this option had not been explored and it is not known whether the software is compatible.
5. The Transformation and Development Manager was praised by the Committee for her engagement with the Member's Reference Group, and for her involvement with the project delivery.

Recommendations:

That the Overview and Scrutiny Committee receive an update in July 2013 on the progress of the new reporting and forecasting technology.

Actions/further information to be provided:

None.

Committee Next Steps:

None.

**49/13 SURREY COUNTY COUNCIL AND EAST SUSSEX COUNTY COUNCIL
SHARED SERVICE DELIVERY AGREEMENT [Item 8]**

Declarations of interest: None.

Witnesses:

Simon Pollock, Interim Head of Shared Services

Key points raised during the discussion:

1. The Committee was given a summary of the Shared Services delivery agreement. Members were informed that this had come into effect from 1 April 2013, and that there was a potential for similar agreements being made with other public sector partners in the future. The Committee praised the Interim Head of Shared Services for his concise report.

Recommendations:

None.

Actions/further information to be provided:

None.

Committee Next Steps:

None.

50/13 APPRAISAL DATA - POSITION STATEMENT [Item 9]

Declarations of interest: None.

Witnesses:

Carmel Millar, Head of Human Resources

Key points raised during the discussion:

1. The Committee was informed that the response rate from managers had risen to approximately 80% since the publication of the figures contained within the agenda papers. The view was expressed that the exercise had been a useful one as it had encouraged some new managers to request additional training in appraisals. It was confirmed that the final results regarding the appraisal data would be available by June 2013.
2. The Committee was told that the staff survey, due to take place in autumn 2013, would contain a number of questions regarding the appraisal process.
3. Members queried why the original three week response period had been extended. Officers confirmed that the feedback from managers was that the appraisal process was still ongoing, and that it would be more appropriate for this data to be collected over a longer period.
4. The Committee asked when staff might be exempt from the appraisal process. It was confirmed that the appraisal process was obligatory for all staff, with the exception of temporary staff, those working out a notice period and those due to retire in the following six months.
5. Members asked for clarification regarding the 360° appraisal process. Officers confirmed that this was when feedback was sought from those that the staff member worked with. It was clarified that this was not deemed appropriate for every employee, but was used for the majority of staff within the Council.
6. The Committee had a discussion around how Members might receive similar feedback and appraisal opportunities. It was confirmed that there was an ongoing discussion regarding this within the Member Development Steering Group.
7. The Chairman thanked the Head of HR on behalf of the Committee for responding to Members' concerns.

Recommendations:

None.

Actions/further information to be provided:

None.

Committee Next Steps:

None.

**51/13 PROGRESS REPORT FOR BUSINESS CONTINUITY ARRANGEMENTS
[Item 10]**

Declarations of interest: None.

Witnesses:

Ian Good, Head of Emergency Management

Susie Kemp, Assistant Chief Executive

Key points raised during the discussion:

1. The Committee was informed that the arrangements within Surrey for the Olympics in 2012 had informed much of the business continuity arrangements for the Council. It was confirmed that Business Continuity was intended to focus on the gaps within the service, for example where it required more than an hour to recover IMT systems after a systems failure.
2. Officers commented that it was the feeling that business continuity had become embedded across the County Council. This was indicated in the number of projects that included business continuity as part of their standard business and development processes. The Committee was informed that the Emergency Management Team were consulted by services on a regular basis and that it was felt that the business continuity approach had become more proactive over the past year.
3. Members questioned how business continuity was undertaken when external contractors were involved. The Head of Emergency Management commented that his team worked with Procurement in order to understand the risks and make suitable emergency provisions where necessary.
4. The Committee asked how services would respond if they experienced failure on the mobile phone network. It was clarified that a business impact analysis had identified procedures and solutions, and that the Emergency Management Team worked closely with colleagues in the emergency services to identify where key priorities lay.
5. Officers were asked to comment on the recruitment of a risk management co-ordinator by some services. The view was expressed that in some cases the nature of the complexity of the work would require an identified individual officer to undertake a regular overview of the risks involved.
6. Members suggested that the Council could benefit from an unannounced and unplanned rehearsal of the business continuity

arrangements. It was suggested that a peer group could propose a scenario and this would then allow the Council to ensure its arrangements were suitable. Officers agreed with the idea in principle, and commented that they would be willing to explore this providing Members supported the idea. It was clarified that smaller scale testing occurred regularly.

7. The Committee asked what joint working was undertaken with partners around business continuity. It was confirmed that joint planning was undertaken with other organisations both within and outside of the County. The Olympics was cited as a positive example of this joint working.

Recommendations:

None.

Actions/further information to be provided:

The Assistant Chief Executive will take proposals for an unannounced and unplanned test of business continuity arrangements to the Corporate Leadership Team and report back.

Committee Next Steps:

None.

52/13 BUDGET MONITORING [Item 11]

Declarations of interest: None.

Witnesses:

Kevin Kilburn, Deputy Chief Finance Officer

John Furey, Cabinet Member for Transport and Environment

Key points raised during the discussion:

1. The Deputy Chief Finance Officer briefly outlined the February 2013 budget monitoring report and confirmed that the provisional financial outturn for 2012/13 would be presented to Cabinet on Tuesday 23 April 2013.
2. The Committee was informed that individual services were in the process of identifying which amounts that would be carried forward into the next financial year. It was explained that the principle behind a carry forward was that it should not be fortuitous, but should reflect where a piece of work was carrying on through the end of the financial year. It was estimated that the carry forwards would be £6.5 million overall.
3. The Committee raised a question about the reported underspend of £1.2 million in the staffing budget for Environment & Infrastructure. The Cabinet Member commented that this underspend had been an

anticipated result of the “one team” staffing review, and that the finances were due to offset over-expenditure under Highways maintenance and Local bus services. It was confirmed that majority of Highways vacancies had been filled since September 2012.

4. The Committee held a discussion regarding Project Horizon and the directorate’s priorities. It was raised that these could differ from local concerns on occasion. The Cabinet Member for Transport & Environment confirmed that a programme review would be undertaken regarding road markings. The Committee commented that while it recognised that the priorities had been set accordingly in the Environment & Infrastructure Directorate, the reasons for an underspend had not been made clear to Members following previous requests for information. It was also highlighted that the presentation of the figures contained within the report could be made clearer.
5. Officers clarified that the wording and figures in paragraph 42 of the report (page 92) should read as follows:
“The directorate is currently projecting an underspend of -£2.2m against a budget of £74.4m. This is predominantly due to confirmation that there are no commitments against the Olympics contingency (£1.0m), underspends in member allocations (£0.5m) and community improvement fund (£0.1m) where payments are unable to be made this financial year, increased income in Registration (£0.3m) and miscellaneous savings across the remaining services.”

Recommendations:

None.

Actions/further information to be provided:

None.

Committee Next Steps:

None.

53/13 RECOMMENDATION TRACKER [Item 12]

Declarations of interest: None.

Witnesses: None.

Key points raised during the discussion:

1. The Committee reviewed its Recommendations Tracker. There were no further comments.

Recommendations:

None.

Actions/further information to be provided:

None.

Committee Next Steps:

None.

54/13 DATE OF NEXT MEETING [Item 13]

The Committee noted that the next meeting of the Council Overview & Scrutiny Committee would be a private induction meeting on 7 June 2013 at 10am, and that the next public meeting of the Committee would be on 3 July 2013 at 10am.

Mel Few and David Harmer were thanked by the Committee for their work as Chairman and Vice-Chairman. The Committee also thanked Andy Spragg and Bryan Searle for the support provided.

Meeting ended at: 12.45 pm

Chairman