

MINUTES of the meeting of the **COUNCIL OVERVIEW BOARD** held at 10.00 am on 14 December 2016 at Ashcombe Suite, County Hall, Kingston upon Thames, Surrey KT1 2DN.

These minutes are subject to confirmation by the Committee at its meeting on Wednesday, 18 January 2017.

Elected Members:

- * Mr Steve Cosser (Chairman)
- * Mr Eber A Kington (Vice-Chairman)
- Mr Mark Brett-Warburton
- * Mr Bill Chapman
- * Mr Stephen Cooksey
- * Mr Bob Gardner
- Mr Michael Gosling
- * Dr Zully Grant-Duff
- * Mr David Harmer
- * Mr Nick Harrison
- * Mr David Ivison
- * Mr Colin Kemp
- Mrs Denise Saliagopoulos
- * Mrs Hazel Watson
- Mr Keith Witham

Ex officio Members:

Mrs Sally Ann B Marks, Chairman of the County Council
Mr Nick Skellett CBE, Vice-Chairman of the County Council

Substitute Members:

- * Mrs Margaret Hicks

Members in attendance

- * Ms Denise Le Gal, Cabinet Member for Business Services and Resident Experience

80/16 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS [Item 1]

Apologies were received from Mark Brett-Warburton, Michael Gosling, Denise Saliagopoulos and Keith Witham. Margaret Hicks substituted for Keith Witham.

81/16 MINUTES OF THE PREVIOUS MEETING: 3 NOVEMBER 2016 [Item 2]

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

82/16 DECLARATIONS OF INTEREST [Item 3]

There were no declarations of interest made.

83/16 QUESTIONS AND PETITIONS [Item 4]

There were no questions or petitions submitted to the Board.

84/16 RESPONSES FROM THE CABINET TO ISSUES REFERRED BY THE SCRUTINY BOARD [Item 5]

No issues were referred to the Cabinet by the Board at its last meeting.

85/16 RECOMMENDATIONS TRACKER AND FORWARD WORK PROGRAMME [Item 6]

Key points of discussion:

Recommendations Tracker

1. Recommendation reference A7/2016. The Chairman drew the Board's attention to the correspondence from the Chief Executive and Leader of the Council in response to the letter jointly written by the Chairmen of Council Overview Board, Social Care Services Board and Audit & Governance. He explained that the response did not address the points raised regarding the future scrutiny of Surrey Choices. The business plan for Surrey Choices was currently being worked on, however upon completion, it was understood that the Board would be able to scrutinise the plan. The Board were informed that the Scrutiny in a New Environment task group had been looking at the varying governance arrangements within commercial ventures and it was expected that they would be bringing a report to the January meeting.
2. Recommendation reference A9/2016. The Chairman told the Board that he had reviewed the Investment Advisory Board (IAB) papers that he had received, and as a result, he suggested that the Board request an updated report on the progress, performance and future plans of the Investment Strategy as an item in the new year.
3. Recommendation R6/2016. The Board were informed that as not enough volunteers had come forward, the consultation task group would remain on the recommendation tracker as an item for the new Council term.

Forward Work Programme

1. The Board noted that the Devolution update scheduled for February 2017 may need to be taken in March 2017 to allow for a meaningful progress report.
2. The Chairman invited the Board to propose items to be added to the Forward Work Programme.

86/16 PROPERTY SERVICES: STRATEGIC AND OPERATIONAL UPDATE [Item 7]

Declarations of interest:

None

Witnesses:

John Stebbings, Chief Property Officer
Denise Le Gal, Cabinet Member for Business Services and Resident Experience

Key points raised during the discussions:**Strategic Property Management**

1. The Chief Property Officer assured the Board that whilst there were a number of vacant assets across the organisation, they were all under review and managed in order to reduce the figure wherever possible.
2. Members requested further information be provided around the total cost of vacant assets to the Council and the total cost of loss of income as a result. The officer explained that the loss of income cost was already absorbed within the income revenue accounts.
3. The Board was informed that there was a statutory requirement to hold some vacant property in order to support frontline service delivery. There was the need to be able to set up an emergency mortuary if needed, and whilst demand was high, hold potential sites for the school build programme.
4. The Cabinet Member for Business Services and Resident Experience stated that whilst it was not desirable to have so many vacant assets, given the Council's current financial situation, the maintenance costs associated with restoring some vacant assets back to a standard where they could be leased out or sold on was not currently affordable.
5. The Board requested that the service provided all members with a list of vacant assets, by borough and district, detailing the reason for, and where possible, the duration of the vacancy. Officers noted that Members could contribute valuable local knowledge that may assist in future decision making related to vacant assets.
6. The Cabinet Member explained that some vacant asset sites had been identified as part of the Council's plan to create 600 extra care homes within the next decade as part of the Accommodation with Care & Support strategy in Adult Social Care. By creating in-house care solutions for the future, it was expected that the Council could save around £4,500 annually per person on care provision.
7. The officer explained that funding from OnePublic Estate allowed the service to reduce the vacant property level. The officer stated that the service aspires to decrease the vacant asset rate to just 5% of the portfolio in the long term.
8. The Board enquired as to whether short term leasing of vacant assets been considered as a way of increasing property income. The officer assured members that all options had been considered, including short term leasing, however he explained that often during negotiations, there seemed to be a variation between what was

required by the tenant and what was provided by the Council as landlord, leading to some leases not materialising.

9. Members suggested that as part of the next review, the Strategic Asset Management Plan (SAMP) could be further updated to include challenges faced by the service as well as successes.

Office Utilisation Data

10. Members enquired as to what the next steps were now that the utilisation data was available. The officer explained that the data highlighted that there was a high level of no-shows for meeting room bookings and that this was to be addressed by the introduction of a new room booking management system in early 2017.
11. The officer indicated that whilst the data highlighted areas of unused office capacity across the four main Council sites, a larger piece of work still needed to be undertaken to determine how staff and teams were reconfigured in order to potentially free up an office building. This would involve understanding workforce requirements within different teams and how those teams operated and engaged with residents.
12. A Member enquired if it would be possible to restrict officer bookings of meeting rooms at the Surrey History Centre in order to allow for them to be hired out to external people to allow for revenue generation. The officer noted this suggestion.

The Future Planned Approach (FPA)

13. Members enquired as to who the Corporate Asset Panel consisted of. The officer explained that the panel consisted of officers from different services across the organisation, and that they worked together to develop a holistic approach to the delivery of business plans.
14. The officer acknowledged that Members could contribute a vast amount of local knowledge to the FPA and it was requested that some thought was given as to how the service could link in with Members.

Further information to be provided:

- A list of vacant assets by borough/district sent to Members to inform them of the purpose of the building, the reason for and length of vacancy and to seek their input on the future use of these assets.
- Total cost to the council of the vacant assets that are not currently held for council needs or strategies.

Recommendations:

- The Board recommends that Property consider a programme of engagement with local committees to engage Members' on solutions to vacant property
- Explore the possibility of reviewing SAMP v.2
- Consider how Property could involve Members in the FPA?
- Review the results of the FPA at the July 2017 meeting of COB.

Margaret Hicks left the meeting at 11:00am.

87/16 AGENCY STAFFING UPDATE [Item 8]

Declarations of interest:

None

Witnesses:

Ken Akers, Head of HR & OD

Radhika Verma, HR Contracts Manager

Vicky McHugh, HR Advisor

Denise Le Gal, Cabinet Member for Business Services and Resident Experience

Key points raised during the discussion:

1. The Head of HR & OD began by explaining that whilst the level of Business Services agency staff usage appeared to be high at 33.9%, the number of agency staff in that area had actually been significantly reduced from 70 to 26 over the past two years.
2. The officer indicated that there was a need for specialised expertise within IT as a result of the scale of step-change and that these people are costly. The Board was informed that the average agency charge for a skilled IT consultant was £42 per day under the MSTAR2 procurement framework.
3. Members enquired as to whether there was information available detailing the length of tenure that agency staffed posts had been occupied. There were concerns that if longer than 12 weeks, they would become a permanent employee. The officers assured the Board that after 12 weeks, the agency staff would be entitled to the same entitlements as Surrey County Council employees, for example pay rates and training provision, however there was no risk of agency staff becoming permanent employees automatically.
4. The Board acknowledged that the data from the Adecco contract appeared to be much more comprehensive than the data supplied by the previous agency staff provider, although it was noted that it would currently be difficult to identify trends and generate comparative questions because of the stark differences between the two data sets.
5. The Cabinet Member informed the Board that as with the Orbis contract, there had been a focus on ensuring that the data from the Adecco contract was robust and of quality.
6. The Head of HR & OD indicated that some services had delegated power to employ agency staff directly and that this had not been subjected to any HR scrutiny process. The officer explained that instead, this would have been dealt with as a procurement.

7. Members enquired as to what process was in place to ensure workforce planning was being undertaken to identify priority roles were being filled in a timely manner, and how the requirement of specialists was managed. The officer explained that two senior HR business partners and a HR advisory team were assigned to support services in workforce planning and getting the best from the agency contract. Whenever a post became available, it was the mutual strategic aim of the contract to liaise with service leads in order to fill the post efficiently.
8. Members were assured that agency spend was monitored and reviewed on a quarterly basis in order to identify where long term vacancies existed and wherever possible, these would be filled with directly employed staff. HR monitored agency staff tenure, and those exceeding six months were highlighted to the Head of Service for review.

Actions/ further information to be provided:

- Breakdown the direct spend posts to understand the type of post procured in this way and the reasons for doing so.

Recommendations:

- That the high percentage of agency staff in IT & Digital should be investigated urgently by a Task Group with findings to be reported at the COB February meeting. Membership of Eber Kington, Colin Kemp, Zully Grant-Duff and Hazel Watson was agreed by the Board.
- That officers report to the Board on a six-monthly basis to review data on agency staff usage.

88/16 PRELIMINARY BUDGET RECOMMENDATIONS [Item 9]

Declarations of interest:

None

Witnesses:

Kevin Kilburn, Deputy Chief Finance Officer
Denise Le Gal, Cabinet Member for Business Services and Resident Experience

Key points raised during the discussions:

1. The Cabinet Member informed the Board that the role of scrutiny within the budget process was important in order to identify future savings. It was noted that Members had valuable knowledge of the services being scrutinised and were able to determine whether proposals were achievable or not.
2. The Cabinet Member explained that in reducing the current year's overspend from £24.6m to £6.1m, a majority of the savings made had

been corporate savings. It was important to note that when the government settlement was delivered, some non-statutory services would need to be reviewed further in order to ensure the Council could fully meet statutory service provision costs.

3. Members acknowledged that if the settlement was not satisfactory, the Council would have no choice but to hold a Council Tax referendum. The Cabinet Member advised that the referendum question had been drafted by government and it appeared to be very prescriptive. It was therefore crucial that residents understood that Members had lobbied hard with government to get support, that the Council had already made a large amount of corporate savings and that there was no other option.
4. Members noted that even with a precept of an extra 2%, this would only generate £12million towards the current £86million funding gap.

Recommendations:

- COB to finalise budget recommendations it wishes to make to the Cabinet at its next meeting in January 2017.

89/16 DATE OF NEXT MEETING [Item 10]

The next meeting of the Board will take place on Wednesday 18 January 2017.

Meeting ended at: 12.27 pm

Chairman