

MINUTES of the meeting of the **CORPORATE OVERVIEW SELECT COMMITTEE** held at 10.00 am on 13 December 2018 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, 25 January 2019.

Elected Members:

*= present

- * Mr Ken Gulati (Chairman)
- Ms Ayesha Azad
- * Mr Mark Brett-Warburton
- * Mr Tim Evans
- Mr Tim Hall
- * Mr David Harmer
- * Mr Nick Harrison (Vice-Chairman)
- * Mr Keith Witham
- * Mr Chris Botten
- * Mr Richard Walsh

9 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS [Item 1]

Apologies received from Tim Hall and Ayesha Azad.

10 MINUTES OF THE PREVIOUS MEETING: 25 OCTOBER 2018 [Item 2]

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

11 DECLARATIONS OF INTEREST [Item 3]

There were no declarations of interest made.

12 QUESTIONS & PETITIONS [Item 4]

- A public question was received from Julia Dickinson. A response was tabled at the meeting and is attached to the minutes as Annex 1.
- The public questioner asked for further detail to be provided on general pay inequity throughout Surrey, rather than just focusing on the pay drivers/actions within Surrey County Council. The Chairman informed the questioner that the Council could only provide a response to pay inequity for Surrey County Council employees. It was agreed that committee officers would advise on where best to seek further clarification regarding the question.
- A Member of the Committee suggested that the question be submitted at a meeting of the relevant Local Committee as district and borough members were represented here and could respond from a district and borough perspective.

13 BUDGET SCRUTINY [Item 5]

Witnesses:

Kevin Kilburn, Deputy Chief Finance Officer

Key points raised during the discussion:

1. The Deputy Chief Finance Officer introduced the report highlighting that Cabinet had approved £40 million in year savings in September 2018 in order to get the Council into a sustainable position in light of heavy pressures on the Special, Educational Needs and Disabilities (SEND) budget. The £40 million savings were agreed with the aim of reducing the need to use the Council's reserves. It was explained that, as of October 2018, £29 million of management actions had been achieved in order to allow for savings. Following on, it was noted that £13 million of Council's reserves would be needed to support the current budget, rather than the previously forecasted £21 million. Members noted that there were still significant pressures on the Council's finances, particularly around SEND services, including SEND transport. The Deputy Chief Finance Officer summarised further key details relating to the Council's finances which were outlined in the finance and budget monitoring report.
2. A Member of the Committee sought clarification on the additional £2.6 million funding from Government which would be allocated for winter pressures. It was confirmed that if the additional funding was not used it would be considered as an in year saving for the Council but that this would need to be approved with Health.
3. It was highlighted that Central Government were yet to update the Council on the provisional finance settlement for 2019/20 and whether or not Surrey would be included within the business rate retention pilot for 2019-20. Members requested settlement figures relating to each of the Surrey District/Boroughs when available. The Deputy Chief Finance Officer explained that he would be meeting with the Directors of Finance at the District/Boroughs in due course to discuss the settlement figures.
4. The Officer confirmed that in September 2018 the Council was forecasted to use £17 million of reserves to support the current budget. As of October 2018 this had been forecast to £13 million.
5. Members were provided with details of the forecasted savings that were considered to be at risk. This included a high risk forecasted savings of £3.4 million in SEND and £2.1 million in SEND transport.
6. A Member of the Committee queried what confidence officers had in the forecasted figures included within the SEND agency projections graph on page 33 of the agenda. It was explained that the forecasted figures were based on the best information available to officers but that £3.6 million was still considered to be at high risk.
7. A Member of the Committee expressed disappointment that the County Council motion agreed in spring 2018 to make savings on SEND transport had so far failed to make any significant savings. The Committee further discussed the urgent need to reduce the Council's spend for out of county placements for children. It was highlighted that the Children and Education Select Committee currently had an Out of County Placements Task Group in place to drive improvements in the service.
8. Members of the Committee were informed that, when calculating the budget for 2019/20, it was assumed that the Council would not be included in the business rates retention pilot and therefore would not retain an additional £20 million in the budget.
9. Following discussion, the Committee agreed to invite the Chief Executive, Cabinet Member for Finance and the Section 151 officer to the Corporate Overview Select Committee meeting on 25 January

2019 when the Committee would consider the draft council budget and outcomes from the five public consultations.

10. Members noted that, following agreement at the County Council meeting in December 2018 of the new Financial Regulations, Senior Managers would be responsible for signing a budget accountability statement.
11. The Vice-Chairman introduced the Budget Sub-Group Report which was published within the supplementary agenda. The following recommendations were agreed by the Committee.

Resolved:

The Corporate Overview Select Committee recommends that:

- a. Select Committees Review the most up to date Full Business Cases for Transformation Projects before final decisions are made by Cabinet, focussing on those plans which have most impact on residents,
- b. The Out of County Placements Task Group review the forecast volumes for SEND agency placements spend in 2018/19,
- c. The savings to be realised by Transformation Plans are monitored, to ensure Directors and Service Heads are clear on the savings they are required to deliver, and to eliminate double counting (for example, Spans of Control savings, Cultural Services and Property savings are allocated appropriately) and reported to the Budget Sub-Group regularly,
- d. Reports from Internal Audit are provided to Select Committees to assist their on-going review of the delivery of Transformation Plans and that Transformation Project risk registers are updated and shared with Select Committees.
- e. Adequate resources (including professional skills) are invested in the Property department to ensure there is capacity to support the Transformation Programme,
- f. The Council's SEND transport provision is reviewed and recommissioned to provide better value for money.

14 RECOMMENDATIONS TRACKER AND FORWARD WORK PROGRAMME [Item 6]

Key points raised during the discussion:

1. The Chairman drew Members' attention to the inclusion of the outcomes of the five ongoing public consultations at the Committee's January 2019 meeting. All Select Committee Chairman were invited to attend this meeting.
2. Members noted that the Committee would have two roles regarding transformation. The first was to scrutinise the implementation of the projects within its remit and the second was to have an overview of the whole transformation programme's financial benefits and outcomes for residents. The Chairman stated that the Committee would need to prioritise the most important elements to focus on.

3. It was noted that the Highways and Growth Select Committee sought agreement to set up a task group to make recommendations on a new highways maintenance contract.
4. A Member of the Committee highlighted that the Committee would consider the Treasury Management Strategy Statement at its January meeting. It was confirmed that Members of the Committee would receive the appropriate training to scrutinise the strategy on the day of the meeting.

Resolved:

The Committee:

- reviewed each of the Select Committee forward work programmes and its recommendations tracker.
- reviewed the task and finish group scoping document from the Highways and Growth Select Committee.

15 DATE OF THE NEXT MEETING [Item 7]

The date of the next meeting was noted as 25 January 2019.

Meeting ended at: 11.25 am

Chairman