

MINUTES of the meeting of the **COUNCIL OVERVIEW & SCRUTINY COMMITTEE** held at 11.00 am on 29 January 2015 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, 4 February 2015.

Members:

- * Mr Nick Skellett CBE (Chairman)
- * Mr Eber A Kington (Vice-Chairman)
- * Mr Mark Brett-Warburton
- * Mr Bill Chapman
- * Mr Stephen Cooksey
- * Mr Bob Gardner
- * Dr Zully Grant-Duff
- * Mr David Harmer
- * Mr David Ivison
- * Mrs Denise Saliagopoulos
- * Mr Chris Townsend
- Mr Richard Walsh
- * Mrs Hazel Watson
- Mr Keith Witham

Ex-officio Members:

Mr David Munro, Chairman of the County Council
Mrs Sally Ann B Marks, Vice Chairman of the County Council

Present:

* = present

1/15 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS [Item 1]

Apologies were received from Keith Witham and Richard Walsh.

Denis Fuller and Richard Wilson were in attendance as substitutes.

2/15 MINUTES OF THE PREVIOUS MEETING: 3 DECEMBER 2014 [Item 2]

The minutes of the previous meeting were agreed as a true and accurate record of the meeting.

3/15 DECLARATIONS OF INTEREST [Item 3]

No declarations of interest were received.

4/15 QUESTIONS AND PETITIONS [Item 4]

Questions had been submitted by Jonathan Essex. As these directly related to item 7 (Carbon and Energy Policy), these were taken under that item.

5/15 RESPONSES FROM THE CABINET TO ISSUES REFERRED BY THE SELECT COMMITTEE [Item 5]

There were no responses to report.

6/15 CARBON AND ENERGY POLICY FOR 2015 TO 2019 [Item 7]

Witnesses:

Lesley Harding, Place and Sustainability Group Manager
Bronwen Chinien, Environment and Policy Team Leader
Paul Hasley, Energy Manager

Members in attendance:

Denise Le Gal, Cabinet Member for Business Services
Jonathan Essex, County Councillor for Redhill East

Key points raised during the discussion:

1. Officers introduced the report and informed the Committee that the Carbon and Energy Policy had been updated to ensure it continued to represent value for money, community leadership, local economy and changing environmental resources. It was noted that officers working on the new policy were working collaboratively with Finance and Property. The policy would sit alongside other programmes such as waste management and school transport.
2. The Committee were informed that energy costs in 2013/14 of the council amounted to £6million on corporate buildings and street lighting, and £8million on schools. Corporate energy costs and streetlighting have been reduced over the period of the previous Carbon and Energy Policy.
3. It was added that Surrey's annual carbon emissions had also reduced since 2010 by 12%, or 9% after correcting for weather. This has been helped in part by the street lighting programme. The target for 2019 is for the council to reduce its carbon emissions by a further 10%. Officers confirmed that under the street light programme, lights were made slightly dimmer but newer and more powerful bulbs would be used. Office lighting was also questioned and officers confirmed that issues of both lighting efficiency improvements and staff behaviours, would be addressed in coming policy period.
4. The Committee noted that there was an LED street lighting trial currently underway in Merrow Officers commented that the financial case to roll this out across Surrey had been investigated, but has not so far been found to present an acceptable return on investment to justify the changes. The Committee suggested using solar panels on school buildings but noted this would require ongoing maintenance, another suggestion was to rent roof space out for use of solar panels. Officers confirmed that a range of schools across Surrey have benefitted from solar panels and cheaper electricity.
5. The Committee questioned whether there was effective accounting of carbon costs ("embodied carbon") in investment decisions and

whether full life cycle analysis was carried out, for example on electric vehicles. Officers responded that the assessment and measurement process would not include full life analysis of embodied carbon, however the management of this would be considered and investigated. However, full life cycle analysis of direct energy costs to the council is conducted and desirable.

6. The Committee were informed that the new schools building programme and other new builds would contribute to improving energy efficiency due to new building regulations. However, this would be offset by an upward pressure on total carbon emissions caused by provision for an increased number of school places. Initiatives to engage schools included eco summits and enabling schools to get funding from third parties.
7. The Committee discussed traffic congestion on the staff commute contributing to rising carbon emissions. This was an area the service is working on in conjunction with the development of a Surrey Infrastructure Plan.

County Councillor Jonathan Essex was invited to address the Committee and ask any supplementary questions he had on the responses officers had provided to his original points. These questions and answers are at Annex 1 to these minutes. Responses to his supplementary questions are detailed below:

8. The Committee were informed that data was benchmarked against authorities in the South East Seven (SE7), however, it was noted that the councils all had different levels of performance and ambition depending on their timescales for achieving targets.
9. In relation to wider activity to reduce energy costs and carbon emissions from the domestic sector it was noted that new funding measures i.e. Green Deal and ECO meant the service were addressing issues such as supporting affordable warmth. Officers advised, with limited resources and other support available, it is not one of the council's priorities to seek to influence e.g. via energy efficiency advice and energy consumption in the business sector. At the end of the discussion the Committee agreed the Cabinet should be called to review the targets of the Carbon and Energy Policy.
10. Officers explained that significant areas of Scope 3 emissions in relation to Waste management had previously been included in County reporting, however, as no other authorities included this data, it inaccurately presented the Council as performing negatively in comparison to other benchmarked authorities.
11. At the end of the discussion the Committee agreed the Cabinet should be called to further consider the targets of the Carbon and Energy Policy. The Committee also expressed that a staff awareness campaign should be established to ensure the work force are aware of the policy and steps they can take to help reduce carbon emissions.

Actions/Further Information to be Provided:

- That officers work with colleagues in Finance to produce a graph illustrating the cost vs the benefit of the Carbon & Energy Policy.

Recommendations:

That

- a. the Cabinet reviews the targets set out in the Carbon & Energy Policy to ensure they are appropriately ambitious and then adopts the policy
- b. The Council carries out a staff awareness campaign to highlight the costs and CO2 emissions associated with current energy use and encourage the efficient use of energy

Committee next steps:

- The Committee receive an annual report on the progress towards the targets set out in the policy

7/15 CABINET MEMBER PRIORITIES [Item 8]

Witnesses:

Julie Fisher, Strategic Director for Business Services
Denise Le Gal, Cabinet Member for Business Services

Key points raised during the discussion:

1. The Cabinet Member for Business Services provided the Committee with a verbal update on her priorities, which had first been presented to the Committee in July 2014.
2. She informed the Committee that a key priority was working on the partnership with East Sussex County Council and the merging of Business Services departments across the two counties. It was added the draft business case for South East Business Services would be presented at the end of February Cabinet meeting . A more detailed business case would be shared with Committee after it had been to Cabinet.
3. It was noted that the Leader of the Council had set up a small working group, Chaired by Bob Gardner, to look in detail at the business case.
4. The Committee questioned if South East Business Services would be a profit making organisation and the Cabinet Member clarified that efficiency savings would be addressed in the first instance before investments would be considered. It was noted the organisation would generate income but would not make capital profit as it would remain a public sector organisation in ethos and work in partnership with other organisations.
5. The Cabinet Member was pleased to inform the Committee that by the end of March 2015, Surrey was targeting a 100% appraisal completion rate. It was also reported that over 200 managers had started the

Higher Performance Development Programme and it was planned that this would be rolled out to Cabinet Members.

6. Members queried whether the results of a recent office occupancy survey were available. It was agreed that these would be shared with Members when completed.
7. Before closing the item, Members of the Committee expressed disappointment that they had not reviewed the Business Case for South East Business Services ahead of the forthcoming Cabinet decision. The Strategic Director for Business Services advised Members that the SEBS partnership was not a new project; the principles of partnership working had not changed since they were last reviewed by the Committee and set out in the paper approved by cabinet in November 2011.

Actions/Further Information to be provided:

- None.

Recommendations:

None.

Committee next steps:

- The Committee to scrutinise the detailed business case for South East Business Services ahead of it being presented to Cabinet in July 2015.

8/15 AGENCY STAFF AUDIT ACTION PLAN UPDATE [Item 9]

Witnesses:

Ken Akers, HR Relationship Manager

Key points raised during the discussion:

1. The HR Relationship Manager informed the Committee that the high priority actions on the management plan had now all been completed.
2. It was stated that since the contract had been signed, the Council had saved around £50k per month. Officers were questioned on the total cost of failing to sign the contract and officers estimated that around £900k savings could have been made if the contract had been signed.
3. The Committee were informed that a longer term plan would be to develop a Council agency supply, in conjunction with partnership arrangements with East Sussex County Council.

Actions/Further Information to be Provided:

Officers to provide further information about the total cost of failing to sign the contract.

Recommendations:

None.

Committee next steps:

- None.

9/15 BUDGET MONITORING REPORT [Item 10]

Witnesses:

Kevin Kilburn, Deputy Chief Finance Officer

Key points raised during the discussion:

1. Officers informed the Committee the December budget monitoring report had now been published with the Cabinet agenda papers.
2. The Committee were informed that an improved position on efficiencies and service reductions was now forecast for yearend of £70million. It was added that an improved revenue position of - £2.7million was forecasted for 2014/15.
3. The Committee questioned why there was an under spend within the apprenticeship programme and officers informed that despite best efforts take up numbers in the programme had not been as high as expected.
4. It was noted that the DEFRA and Department for Communities and Local Government schemes were being extended by 3 months to the end of April.
5. It was clarified that the bullet point on page 91 of the agenda, that linked asylum seekers and care leavers together was a typographical error.
6. Members also queried the number of lawyers employed by the County Council and officers agreed to take this question away.

Actions/Further Information to be Provided:

The question in point 6 above to be answered.

Recommendations:

None.

Committee next steps:

- None.

**10/15 RECOMMENDATION TRACKER AND FORWARD WORK PROGRAMME
[Item 6]**

Key points raised during the discussion:

1. The Committee noted the recommendations tracker and forward work programme.

Actions/Further Information to be Provided:

None.

Recommendations:

None.

Committee next steps:

To make suggestions regarding future work programme items to the Scrutiny Manager.

11/15 DATE OF NEXT MEETING [Item 11]

The next meeting of the Committee will be held at 10.30am on 4 February 2015. (please note that this meeting was subsequently cancelled).

Meeting ended at: 1.10 pm

Chairman

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