

MINUTES of the meeting of the **OVERVIEW AND BUDGET SCRUTINY COMMITTEE** held at 10.30 am on 14 September 2017 at Ashcombe Suite, County Hall, Kingston upon Thames, Surrey KT1 2DN.

These minutes are subject to confirmation by the Committee at its meeting on Thursday, 16 November 2017.

Elected Members:

*present

- * Mrs Kay Hammond (Chairman)
- * Mr Nick Harrison (Vice-Chairman)
- * Ms Ayesha Azad
- Mr Jonathan Essex
- * Mr Robert Evans
- * Mr Tim Evans
- * Mr Tim Hall
- * Mr David Harmer
- * Ms Charlotte Morley
- * Mrs Hazel Watson

Ex officio Members:

Mr Peter Martin, Chairman of the Council
Mr Tony Samuels, Vice-Chairman of the Council

In attendance

Mr Tim Oliver, Cabinet Member for Property and Business Services

9 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS [Item 1]

An apology of absence was received from Jonathan Essex.

10 MINUTES OF THE PREVIOUS MEETING 12 JULY 2017 [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 AND PETITIONS [Item 4]

There were no questions or petitions submitted to the Committee.

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

There were no responses outstanding.

14 RECOMMENDATIONS TRACKER AND SELECT COMMITTEE FORWARD WORK PROGRAMMES [Item 6]

Declarations of interest:

None

Witnesses:

Kevin Kilburn, Deputy Chief Finance Officer

Key points raised during the discussion:

1. The Chairman informed the Committee that the Council had been invited to participate in a one year Business Rate Retention pilot and that a decision was due to be taken under Special Urgency at Cabinet on 26 September 2017.
2. The Chairman sought the Committee's view on participating in the scheme in order to feedback to Cabinet to help inform the decision. Members were of the view that after heavy lobbying for additional funding, it was imperative that the Council accepted the proposal.
3. The Deputy Chief Finance Officer informed the Committee that applications for the Business Rates Retention scheme were due to be submitted by 27 October 2017.
4. Due to the application deadline falling before the October 2017 Cabinet meeting, Members were informed that the Leader was expected to request delegated authority to deal with the application when Cabinet met on 26 September 2017.
5. Members were informed that the Council's pilot area pool would include the 11 Surrey district and borough councils, all of whom would need to agree in order for the application to be valid.
6. The Deputy Chief Finance Officer explained that pilot authorities needed to outline how they proposed for gains to be split between the pool of districts, boroughs and County. It would also need to demonstrate how the money would be spent to support financial sustainability and economic growth. Pilot authorities would also be required to submit proposed governance arrangements and acknowledge that they were content with the lack of detriment clause within the scheme.

RESOLVED

The Chairman agreed to submit a note to Cabinet reflecting the Committee's consensus of support of the council's participation in the pilot scheme.

Recommendations Tracker:

7. The Chairman highlighted that the recommendation for Select Committees to review their service risk registers on a six-monthly basis was not currently reflected in the proposed forward plans, and that Select Committee Chairmen would be reminded of this.

Forward Work Programmes:

Overview & Budget Scrutiny Committee

8. Members suggested that the proposed item on the Investment Strategy and Shareholder Board should also include a review of the criteria for property investments that were approved by Cabinet in March 2017, amid concerns that the criteria was not robust enough to protect the council from investments making losses over long periods of time.
9. Furthermore, Members raised concerns about the ethical stance of some investments, specifically investments in other counties.

RESOLVED:

It was agreed that the Investment Strategy item should include a review of the criteria for property investments, and that this paper would be requested for the Committee's next meeting on 16 November 2017.

Adults & Health Select Committee

10. The Chairman suggested that the proposed item "Access to primary care and GP services" could be addressed within the Surrey Heartlands STP Task Group. Members noted that a similar piece of work had been undertaken previously, however they were of the view that if access to services was still an issue being raised by residents, then it ought to be reviewed.
11. A Member commented that having attended stakeholder meetings for Surrey Heartlands STP, it appeared that access to services was not currently a priority and therefore scrutiny of this area could be useful.
12. Members noted and approved the Terms of Reference for the Surrey Heartlands STP Task Group, with a caveat that details of the group's membership were specified.

Children & Education Select Committee

13. Members indicated the need to ensure there was clear co-ordination between the Performance Monitoring Group and the Improvement Board, so not to duplicate work and put unnecessary demands on officer time.

Communities Select Committee

14. Members noted that the item on Armed Forces Covenant was an item of interest rather than a priority scrutiny item. It was suggested that as the Select Committee Chairman was also the Council's Armed Forces Champion, she could prepare a report on the implementation of the Covenant to present to the Select Committee before pursuing this item further.

Corporate Services Select Committee

15. Members noted that whilst the Select Committee's proposed Forward Work programme appeared to be quite light, some of the items that the committee had planned to cover were broad areas where scrutiny would be of value.

Environment & Infrastructure Select Committee

16. Members noted that the Committee had already met to consider an item about Community Recycling Centres on 7 September 2017.
17. The Chairman highlighted that areas of scrutiny suggested by Overview & Budget Scrutiny Committee (OBSC) at its meeting of 12 July 2017 did not yet feature on the Committee's proposed Forward Work Programme.

RESOLVED

The Chairman agreed to contact the Chairman of the Environment & Infrastructure Select Committee to ensure that the areas of scrutiny suggested by OBSC had been considered.

15 LEADERSHIP RISK REGISTER [Item 7]

Declarations of interest:

None

Witnesses:

Kevin Kilburn, Deputy Chief Finance Officer
Tim Oliver, Cabinet Member for Property and Business Services.

Key points raised during the discussion:

1. Members enquired as to why the Adult Social Care directorate was not referenced in the risk column for L1, financial outlook. The Deputy Chief Finance Officer explained that this was because the risk related specifically to funding. As Adult Social Care received minimal funding from central government, this was not considered to be a risk to the directorate.
2. The Chairman asked when the Leadership Risk Register (LRR) was last seen by the Cabinet. The Deputy Chief Finance Officer informed Members that the LRR was last reviewed by Cabinet in July 2017. The current version had yet to be reviewed by the Cabinet as it was reviewed on a quarterly basis.
3. Members highlighted that the role of Cabinet Associate was removed post-election in May 2017, and therefore the processes in place listed in L3, page 37, required updating. The Committee also questioned whether one of the controls listed in L3, regarding the implementation of a new strategic plan for safeguarding, was correct in terms of

timescale. The Deputy Chief Finance Officer agreed to check whether it was one year or two years.

4. Members suggested that the monthly reporting of the forecast outturn position to the Continuous Improvement and Productivity Network, mentioned in L4, ought to be reflected on the risk governance arrangements matrix. The Deputy Chief Finance Officer agreed to feedback the suggestion to the Chief Finance Officer.
5. Members were concerned that Senior Leadership Succession Planning, L7, was considered to be a medium risk despite the imminent retirement of the Chief Executive. The Committee were concerned that the risk had been downgraded given the current situation.
6. Members noted that the Deputy Chief Executive had been appointed as Interim Chief Executive and an Interim Director of Children, Schools and Families had also been appointed. There were, however, concerns that with the Director of Environment & Infrastructure working a three-day week and the recent departure of the Director for Communities, the Council appeared to be short of strategic leadership cover.
7. The Deputy Chief Finance Officer explained that whilst the High Performance Development Programme mentioned in L6 had come to an end, the HR and OD departments were in the process of developing a replacement scheme. Members noted this, and suggested that the wording of the document was updated to reflect this change.
8. The Chairman enquired as to why the Strategic Infrastructure risk was removed from the register in August 2017, given that strategic infrastructure was integral to the council's operation. The Deputy Chief Finance Officer agreed to seek the rationale for the decision and circulate to the committee.
9. Members also questioned the removal of Waste as a risk from the register in January 2016. The Deputy Chief Finance Officer explained that this was due to a suspension in the credits of the Private Finance Initiative (PFI) waste contract, along with the fact that the eco-park build was currently in progress. The Community Recycling Centres issue was a service issue, therefore this would be reflected in the directorate's risk register.

RESOLVED

The Deputy Chief Finance Officer agreed to seek a summary of the rationale behind the decision to remove the Strategic Infrastructure risk from the register in January 2017 and circulate to the committee.

Further information requested

The Deputy Chief Finance Officer to confirm whether the timescale relating to the implementation of the safeguarding strategic plan mentioned in L3 was correct.

16 BUDGET SUB-GROUP REPORT [Item 8]

Declarations of interest:

None

Witnesses:

Nick Harrison, Chairman of the Budget Sub-Group
Ayesha Azad, Member of the Budget Sub-Group
Tim Evans, Member of the Budget Sub-Group
David Harmer, Member of the Budget Sub-Group

Key points raised during the discussion:

1. The Chairman of the Budget Sub-Group gave a brief overview of the work carried out to date and highlighted that the Sub-Group were due to meet with the Directors of Adult Social Care (ASC) and Children, Schools and Families (CSF) to review their budgets during September and October 2017.
2. A Member raised concerns over the savings that the new Early Help operating model was expected to deliver. There appeared to be very little detail about what the new model entailed and how the savings were to be delivered and therefore Members were currently unable to scrutinise how realistic the proposed savings were. This was an area the Budget Sub-Group planned to investigate further at its meeting with the Interim Director of CSF in October 2017.
3. Members acknowledged the letter response from the Leader, but felt it did not address the question regarding the implementation of Sustainability Review Board's recommendations.
4. A Member raised concern regarding staffing levels, in particular the fact that vacancies were being held as a means of deliver savings, which could impact on service delivery. The Member suggested an analysis of staffing levels was required to ensure the remaining workforce could meet the workload demand. The Chairman suggested that this line of enquiry be undertaken by the Corporate Services Select Committee.

RESOLVED

The Chairman agreed to write to the Leader to request a response to the question regarding the implementation of the recommendations made by the Sustainability Review Board, and to share the Committee's concerns around the lack of urgency in delivering savings.

17 TASK GROUP SCOPING [Item 9]

Key points raised during the discussions:

1. The Chairman suggested that the inclusion of a Task & Finish group tracking document in OBSC agendas going forward would be useful for the committee in understanding progress of work being undertaken by Select Committees between formal meetings. The Committee agreed.

Learning Disabilities and Transition

2. The Committee reviewed and approved the Learning Disabilities and Transition Task & Finish group scoping document. The Chairman suggested that with his expertise and knowledge, Robert Evans should be OBSC's representative on this Task & Finish Group. The Committee agreed. Robert Evans agreed.
3. The Chairman suggested that the Task & Finish Group may wish to include an adult who had already transitioned through the system in its witnesses list. This would provide a valuable first-hand account of user experience, which would assist the group in identifying ways to improve the transition process. The Committee agreed.

Performance Monitoring Group

4. Members were informed of an error on the scoping document on page 60 of the agenda pack. The Membership for this group should read as follows:
 - Mark Brett-Warburton
 - Chris Townsend
 - Tim Evans
 - Jeff Harris
 - Charlotte Morley.
5. The Committee approved the scoping document.

SEND Task & Finish Group

6. The Committee agreed that the objectives of this Task & Finish group needed more clarity as it was hard to understand what this group were setting out to achieve.

Surrey Fire & Rescue Service Integrated Risk Management Plan Member Reference Group

7. Members reviewed the scoping document and raised doubt that the timescales were realistic and suggested these be reviewed.
8. Members noted that the proposed membership of the Member Reference Group was not politically proportional.
9. The Chairman stated it was necessary to seek clarity as to whether the Integrated Risk Management Plan was a new concept document or a revision to an existing one.

RESOLVED

The Chairman agreed to contact the Chairman of the Communities Select Committee and request a review of the political proportionality of the Member Reference Group and timescales for the work planned.

18 DATE OF NEXT MEETING [Item 10]

The Committee noted its next meeting would be held on 16 November.

Meeting ended at: 11:56am

Chairman