

## SCRUTINY COMMITTEE FOR AUDIT, BEST VALUE AND COMMUNITY SERVICES

DRAFT MINUTES of a meeting of the Scrutiny Committee for Audit, Best Value and Community Services held at County Hall, Lewes on 5 November 2013.

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PRESENT	-	Councillor Councillors John Barnes, Jeremy Birch, Michael Blanch (Chair), Carolyn Lambert, Laurence Keeley, Robert Standley and Francis Whetstone
OFFICERS	-	Kevin Foster, Chief Operating Officer Marion Kelly, Chief Finance Officer Cynthia Lyons, Acting Director of Public Health Fiona Wright, Assistant Director (Schools, Youth and Inclusion Support) Dr Irene Campbell, Assistant Director, Community and Customer Services Karl Taylor, Assistant Director - Operations Leatham Green, Assistant Director, Personnel and Training Ola Owolabi, Head of Accounts and Pensions Russell Banks, Head of Assurance Roger Williams, Head of Highways Laura Langstaff, Head of Procurement Anita Counsell, Head of Specialist Health Improvement Harvey Winder, Scrutiny Support Officer
ALSO PRESENT	-	Councillor David Elkin, Deputy Leader and Vice Chair of the Cabinet

### 28. MINUTES

28.1 RESOLVED – to approve as a correct record the minutes of the meeting of the Committee held on 6 September 2013.

### 29. APOLOGIES FOR ABSENCE

29.1 There were no apologies for absence.

### 30. DECLARATIONS OF INTEREST

30.1 There were no declarations of interest.

### 31. REPORTS

31.1 Copies of the reports on the matters dealt with in the minutes below are contained in the minute book.

## **Scrutiny Items**

### 32. RECONCILING POLICY, PERFORMANCE AND RESOURCES

32.1 The Committee considered a report by the Chief Executive summarising the Committee's continued engagement in the Council's Reconciling Policy, Performance and Resources (RPPR) process for 2014/15 and beyond.

32.2 The following key points emerged from the discussion:

- The Committee was pleased to note that the Business Service Department is one year ahead of its consolidation savings target due to the deletion of staffing posts earlier than was timetabled. The Department is still expected to deliver the same amount of total savings by 2016/17.
- The Primary Care Trusts set the 2012/13 target for the proportion of the eligible population offered a Health Check. Health Checks are now a mandated service for local authorities and it is the Department of Health that sets the target for the proportion of the eligible population that should receive a Health Check (20%). The Primary Care Trusts did not establish the service sufficiently to meet this target prior to the responsibility transferring to local authorities. Consequently, the 2013/14 target reflects the fact that it will take time to build the service to deliver the target for 2014/15. The Public Health Department ensured as part of the transfer arrangements that sufficient NHS funding was transferred to the Council so that it could develop an appropriate service to meet national targets.
- The Public Health Outcomes Framework includes life expectancy as an overarching indicator. However, it is not based on measuring life expectancy at ward level as ward level measurements are subject to random variation, for example, they can be affected by the presence of a nursing home in that area. The Public Health Outcomes Framework includes the use of the 'slope index of inequality' which gives more robust calculations. The 'slope index of inequality' for life expectancy at birth is calculated by grouping Lower Super Output Areas (LSOAs) within each local authority into deciles based on the Index of Multiple Deprivation score of each LSOA. This represents the gap in years of life expectancy between the most and least deprived areas within the local authority, split for males and females.

32.3 RESOLVED – 1) to note the report and its appendices;

2) to agree membership of the RPPR Scrutiny Board due to meet on 16 December 2013 as follows: Cllrs Barnes, Birch, Blanch (Chair), Standley and Whetstone;

3) to request the following information needed to aid scrutiny's contribution to the RPPR process for consideration at the RPPR Board:

- I. Details of how the £10 million revenue surplus was used "to provide for new investment in priority areas";
- II. The inclusion of comparative performance data between the Council and other local library authorities in the Community Services Portfolio Plan;
- III. Figures for how much revenue is generated by all of the library income generation schemes;

4) to request a seminar for Cllrs Barnes, Blanch and Keeley to provide a detailed briefing on the public health performance indicators and public health outcomes framework.

### 33. POTHoles RISK CONTROLS

33.1 The Committee considered a report by the Director of Communities, Economy and Transport summarising the progress made in mitigating the risk to the Council from ongoing pothole damage to the County's road network.

33.2 The following key points emerged from the discussion:

- Officers reported on how the Department was now assessing unclassified roads within an overall Asset Management Plan, and that a report on this would be circulated shortly.

- Members expressed their concern that excess water was forming on highways because of the frequency with which gullies and drains were blocked. Members said that one of the principle causes of potholes was water not draining properly from roads, leading to the breakup of the road surface over time. Members attributed blocked gullies to both poor maintenance of roadside trees and the fact that grass cuttings are not collected, as a matter of policy, after verges are mown.
- Members were optimistic that the improvements to the Council's compensation claims policy following the 2010 Scrutiny review had been maintained, and that the cause of the increase in compensation payouts was due to the exceptional winter weather. A Claims Review Board has been set up to address the issue of increased compensation claims and the results will be reported to the Committee. However, it was noted that reputational damage to the Council from repudiated claims could be considerable.

33.3 RESOLVED – 1) to note the report and its appendices;

- 2) to approve the actions taken to repair potholes and the risk mitigation measures put in place following last winter; as well as the progress made to reduce the risk of pothole formation through the development of the Highway Maintenance Asset Plan to inform future levels of investment;
- 3) To ask the Economy, Transport and Environment Scrutiny Committee to consider looking at whether poorly maintained roadside trees and uncollected grass cuttings are a significant contributing factor to the issue of blocked gullies;
- 4) To thank all of the Highways staff for their excellent job repairing potholes and coping against exceptionally difficult circumstances;
- 5) To agree to the presentation of a report on the outcomes of the Claims Review Board at a future meeting.

#### 34. PUBLIC HEALTH COMMISSIONING UPDATE

34.1 The Committee considered a report by the Acting Director of Public Health updating the Committee on the progress of the public health service review process.

34.2 The following key points emerged from the discussion:

- Members were reassured that some of the Tranche 1 services being reviewed/re-scoped are open to providers from all sectors, including the voluntary and community sector (VCS). Members also appreciated that the service specifications for the services being commissioned/re-commissioned require providers to work and liaise with the VCS to help achieve the stated outcomes.
- The commissioning panels that will make decisions on the commissioning/re-commissioning of services are made up of council officers. They comprise members of the Health Improvement Team, as well as officers from Procurement, Finance and Legal Services. There is no direct patient/public representation on the panels because a service user panel for public health services does not currently exist. However, the East Sussex Health and Wellbeing Strategy which was developed by the East Sussex Health and Wellbeing Board, underpins health improvement commissioning plans and this included widespread public and partner engagement.
- The public health grant not only funds services commissioned by the Public Health Department but it also funds certain other services which come under the remit of the grant but which are commissioned by other departments in the Council, in particular, Adult Social Care (e.g., drug and alcohol services) and Children's Services (e.g., school nursing). Members enquired about accidental injury prevention and whether this included falls. It was confirmed that the joint commissioning team based in the

Adult Social Care Department commissions falls prevention services on behalf of the Council and CCGs.

- The Commissioning Grants Prospectus provides funding to organisations to deliver low-level, targeted, preventative and personalised health and wellbeing services to improve health outcomes. Services funded through the Prospectus generate social capital in addition to achieving the health and social care outcomes required. The Prospectus process was developed and is managed by the Adult Social Care Department, but departments across the Council, including the Public Health Department, now use this process alongside Adult Social Care to award funds to organisations. Members suggested that ballroom dancing is an example of a service that encourages people to stay active and enquired whether this could be funded. It was confirmed that this could be funded through the prospectus if a group or organisation came forward and wanted to provide it (subject to a competitive process).
- The expected outcomes written into the service specifications for the children and young people's weight management services and adult's weight are being procured through a competitive approach where providers compete with each other on the basis of the price and quality of their proposed service. It is up to potential providers to demonstrate what they will be able to deliver with the resources available and this will help to inform the performance indicators for the two services.

34.3 RESOLVED – 1) to note the report and its appendices;

2) to request a report on the outcomes of the procurement process for the first tranche review at the next committee meeting on 12 March 2014;

3) to request to be kept informed of the Tranche 2 service review;

4) to provide the Committee with more detailed performance indicators from the service specifications of the adult's and children's and young people's weight management services once these are no longer commercially sensitive.

### 35. SPEND ON AGENCY WORKERS IN EAST SUSSEX COUNTY COUNCIL

35.1 The Committee considered a report by the Chief Operating Officer summarising the latest information available about the use of agency workers via Comensura.

35.2 The following key points emerged from the discussion:

- The Personnel and Training Team (PAT) has been working with the Universities of Brighton and Sussex over the past two years to promote social work as a career choice for students. This successful blueprint could in theory be applied to promote the role of occupational therapist, to which the Council has struggled to recruit sufficient permanent staff members over the years.
- The recruitment of permanent staff in the care working sector is always affected, to an extent, by the reality that many people in the profession prefer the flexibility of agency work.
- Casual staff are not on zero hour contracts, rather they are staff who are legally the same as agency staff but who want the flexibility to choose their own working hours. Casual staff consist of front line staff such as care workers and home care workers rather than back-office, administrative staff. The Council is now to expand its own bank of casual staff, who are well trained and demonstrably reliable, although there will be an administrative cost to managing them.
- It has not been feasible to develop a service specification for Comensura that would allow the company to recruit its own bank of casual staff on the Council's behalf. This is because it is very difficult to guarantee that the staff Comensura hires from agency firms will be sufficiently trained.

- PAT is considering the possibility of expanding the contractual agreement of having a single neutral third party provider as the source of agency workers across the South East 7. The Comensura contract expires in two years time and the next competitive tendering will be conducted through the South East 7.
- Adult Social Care, supported by PAT, has managed to reduce long-term sickness rates in the Adult Social Care Department by 20% in the past year. This has been achieved by targeting the teams that suffered most from sickness. Managers of these teams have been supported to consider why they think there is a problem and coached on how to address it. The staff in these teams have been provided with the information and support available to them to help manage workplace stress.

35.3 RESOLVED - 1) to note the report and its appendices;

- 2) to congratulate the Personnel and Training staff on their work to reduce long-term sickness rates in the Adult Social Care Department;
- 2) to request continued annual updates on the usage of agency staff at East Sussex County Council and progress on establishing the bank of casual staff.

### 36. PROCUREMENT AT EAST SUSSEX COUNTY COUNCIL

36.1 The Committee considered a report by the Chief Operating Officer providing an introduction to procurement at East Sussex County Council.

36.2 The following key points emerged from the discussion:

- The Council has already achieved its target for 2013/14 of having 45% of procurement spend take place in the local area.
- The target for the number of apprenticeship posts within the Council (part of the *Employment and skills through procurement* policy) has not yet been set. This is because the Procurement Team is working with providers and the Adult Social Care and Children's Services Departments to identify the proper apprenticeship positions to offer the hard to reach and vulnerable adult groups that the policy is designed to help the most. The targets will be developed for 2014/15.
- East Sussex County Council and Surrey County Council share a procurement team, but they are not obliged to procure the same services as each other. Despite the potential risk of the two authorities procuring separate services using the same procurement team, the ultimate goal of the procurement team is to provide value for money and as long as this is achieved, separate procurement specifications are of secondary importance. The SE7 workstreams and the SE7 Procurement Group help to avoid instances of diverging procurement goals by encouraging collaborative procurement where possible, or at least identifying areas where collaborative procurement will not take place.

36.3 RESOLVED - 1) to note the report and its appendices;

- 2) to congratulate the Procurement Team for achieving their 2013/14 target for local procurement spend;
- 3) to request future updates on the progress towards achieving the targets for apprenticeships and local area spend.

### 37. 2012 REVIEW OF GOVERNORS SERVICES: PROGRESS TO DATE

37.1 The Committee considered a report by the Interim Director of Children's Services summarising the actions that are being undertaken to strengthen the local authority's support for governors.

37.2 The following key points emerged from the discussion:

- The 70% sign up rate to the clerking service is lower than the Council would like to see. However, most of the 30% of schools that did not sign up are academies and they pose less of a risk to the Council because of their autonomy. A new joint liaison group comprising members of Council teams involved in support to schools will ensure that it shares soft intelligence on schools that are not accessing support so that they can be flagged for early intervention. In addition, the intelligence gathering will inform the development of the training programme.
- Local Authority Governors (LAG) can only be reappointed if they demonstrate that they have necessary training. Upon signing their contract, a LAG agrees to undertake training for their role and the Council provides opportunities for training. However, the onus is on the LAG to book and attend training courses. In the future, the Council may carry out more regular follow-up checks to see whether or not a LAG has had the necessary training.

37.3 RESOLVED - 1) to note the report and its appendices;

2) To approve the progress made to date in addressing the recommendations of the joint reference group and to confirm that future updates will not be necessary;

3) To request that the findings and response to the external evaluation of the Clerking Service is circulated to the Committee after it has been to the Schools Forum;

4) To request that, when developed, the action plan for the joint liaison group is brought to the Committee as a report and that future updates on the progress of the group are provided to the Committee as necessary.

### **Audit and Risk Items**

#### **38. INTERNAL AUDIT PROGRESS REPORT: QUARTER 2**

38.1 The Committee considered a report by the Chief Operating Officer summarising the key audit findings, progress on delivery of the audit plan and the performance of the Internal Audit Service during Quarter 2.

38.2 RESOLVED – (1) to note the report and its appendices;

(2) to agree that there were no emerging risks to be considered for inclusion in the internal audit.

#### **39. ANNUAL AUDIT LETTER AND FEE UPDATE 2012/13**

39.1 The Committee considered a report by the Chief Executive and Chief Operating Officer informing the Committee of the Annual Audit Letter and fee outturn letter for 2012/13.

39.2 RESOLVED - to note the report and its appendices.

#### **40. TREASURY MANAGEMENT - HALF YEAR REVIEW FOR 2013/14**

40.1 The Committee considered a report by the Chief Operating Officer summarising a midyear review of the Council's performance on treasury management for the half year to 30th September 2013.

40.2 The Chief Operating Officer explained that a review was being conducted into the Council's treasury management policy to determine whether there was potential to improve the Council's rate of return, particularly on short term investments, without compromising the Council's prudent approach to risk.

40.3 RESOLVED - 1) to note the report and its appendices;

2) To welcome the review of treasury management and request that the Committee be kept informed of its outcomes.

#### **41. SCRUTINY WORK PROGRAMME**

41.1 The Committee considered a report by the Assistant Chief Executive setting out the Committee's planned programme of work for the forthcoming year.

41.2 RESOLVED – 1) to note the Work Programme;

2) To agree that the seminar on the performance of the Business Services Department be deferred to the new financial year, 2014/15.

42. FORWARD PLAN

42.1 The Committee considered the Forward Plan for the period 1 November 2013 to 28 February 2014.

42.2 RESOLVED – to note the Forward Plan.

43. NEXT MEETING

43.1 The meeting ended at **12.50pm**. The next meeting of the Committee will be held on **12 March 2014**.