

Minutes of the Meeting of the Corporate Overview and Scrutiny Committee held on 20 September 2016 at 7.00 pm

Present: Councillors Leslie Gamester (Vice-Chair), Jack Duffin, Steve Liddiard, Ben Maney, Oliver Gerrish (Substitute) and Tom Kelly (Substitute)

Apologies: Councillors John Kent and Aaron Watkins

In attendance: Sean Clark, Director of Finance & IT
Roger Harris, Corporate Director of Adults, Housing and Health
Jackie Hinchliffe, Director of HR, OD & Transformation
Sue Harper, Interim Head of Environment
Karen Wheeler, Head of Strategy, Communications and Customer Service
Mykela Pratt, Improvement Manager
Sarah Welton, Strategy & Performance Officer
Charlotte Raper, Senior Democratic Services Officer

Councillor Gamester chaired for the duration of this meeting.

Before the start of the Meeting, all present were advised that the meeting may be filmed and was being recorded, with the audio recording to be made available on the Council's website.

8. Minutes

The minutes of the Corporate Overview and Scrutiny Committee meeting held on 21 June 2016 were approved as a correct record, subject to an amendment at the request of Councillor Maney to note his apologies for absence.

9. Items of Urgent Business

There were no items of urgent business.

10. Declaration of Interests

There were no declarations of interest.

11. Terms of Reference

The Democratic Services Officer presented the terms of reference to the Committee and highlighted that the process of updating them had been completed since the last meeting. Members were reminded that they were also available within the Constitution on the Council's website.

RESOLVED:

Members noted the updated Terms of Reference for the Committee.

12. Council Spending Review Update

The Director of Finance & IT presented the report which gave the Committee an update including budget gaps and pressures. The report also outlined the Council Spending review process and timetable, the General Fund Balance and a revision of the Medium Term Financial Strategy (MTFS).

Councillor Duffin raised his concern that following repeated promises from the Portfolio Holder that there would be no “salami slicing” point 3.8 which outlined “a minimum of 15-20% efficiencies in each service” seemed to be exactly that.

The Director of Finance & IT assured members that the reduction of 15-20% had not been built into the budget, but was a target set out by the Chief Executive, he continued to explain that there would be a thorough review headed by the Corporate Director of Environment and Place, including a cross service panel, to assess how effective and efficient services were, including their commercial standing. Once this review had been completed the actual percentage identified would be built into the budget, regardless of whether or not it met the 15-20% target. Councillor Duffin requested the report be amended to reflect the fact that the 15-20% was in fact a target and not a strict minimum. The Director of Finance & IT agreed that the feedback would be noted and the report amended accordingly.

Councillor Duffin continued to refer to point 3.8 of the report and queried whether it might be possible to bring forward the March 2019 date, so that if there were to be a change of administration the responsibility would not fall at their feet. The Director of Finance & IT explained that March 2019 was definitely a long-stop date, but there was a need to ensure that the hundreds of services provided by the Council could be reviewed thoroughly, in the most practical and efficient way which would take time. The aim was to set future direction so that for any administration there would be a pool of evidence and background information to support it. The Committee heard that it would not be a case that anything was pushed through; the reviews would need to be completed in great detail for the most efficient outcome.

Councillor Duffin referred to section 5 of the report, regarding consultation, and particularly asked whether the make-up of the cross-party panel would mean that the Portfolio Holder and Shadow Portfolio Holder would not be involved. The Committee was advised that those decisions would be reserved to Party Leaders, based around numbers and workability to avoid large numbers being sent from each Party.

Councillor Duffin sought clarity regarding the “consultation” mentioned in point 3.10 of the report and what the planned process would be. Members heard that the process would depend upon the proposal. “Consultation” would cover

a number of areas; minor restructuring within service areas would fall completely within the remit of management decisions, whilst other areas such as the provision of services, opening hours, etc. would merit the Overview and Scrutiny process, and finally areas where it would be required, such as Adult Social Care or Schooling, would include statutory public consultation. Members were reminded that the report included a three-year programme and consultation may begin in October/November 2016 but need not be completed by that time.

Councillor Gerrish began by reminding the Committee of comments regarding current decisions impacted by a large overspend from the previous year, with a figure of around £6m having been quoted and asked how the Director of Finance & IT would characterise the claim. The Director of Finance & IT explained that his understanding of comments made was that they referred to a single service, not the Council as a whole. He continued to outline that there had been a significant overspend, in excess of £5m, within Children's Services which had been reported in outturn reports and to Cabinet. Members heard that as always, all services worked together to identify ways to breach any overspend and had attempted to balance the overall budget and as a result, last year the Council came within budget. The Committee was advised that the overspend within Children's Services had continued into this year as caseloads and staffing levels were unchanged and so in a sense there had been an inbuilt overspend, however the Authority was working as in previous years and as such the Director of Finance & IT was confident that it would be possible to bring the current deficit back to a balanced budget position.

Councillor Gerrish thanked the Director of Finance & IT for the clarification and moved on to reference 3.3 and asked what the overall amount allocated to the "Clean it, cut it, fill it" pilot was at present, and what it would work out to if it were to go forward in terms of the annual budget. The Director of Finance & IT outlined that the report presented to Cabinet showed the pilot at £260,000, which had been included in the forecasted £158,000 deficit, and so without the pilot the Council would have been £100,000 in surplus for this year. He continued to explain that officers, the Cabinet and the Portfolio Holder had agreed that they would continue to work towards reducing the deficit to zero. The Committee was assured that, should it not be possible to bridge the remaining balance through other budget efficiencies, it could be funded through capitalisation of the Minimum Revenue Provision (MRP), as with the Pension Fund Serco Liability in the previous year. As for moving forward, there had been no figure set. The pilot stage would be coming to a close within the next few months and a full review would be carried out. The pilot would be assessed to see what had been successful and what had been less so, and these results would be used to then create a permanent budget for Members' consideration.

Councillor Gerrish referenced sections 32.1 and 3.4 of the report and asked whether there had been any commitment by the Administration regarding the assumptions around Council Tax. The Director of Finance & IT admitted that there had been no commitment on the part of the Administration either way.

The report assumed 3.99% however there was also a table which illustrated what the impact would be if there were any discussions around this figure, to give Members a choice at Council. The Portfolio Holder for Finance had been clear that officers were instructed to try to find more than the budget gap, though the Director of Finance & IT admitted he was not sure whether or not that would be possible. He continued to express that his position which had not changed in all his years in post, was that Thurrock Council was a very low Council Tax Council. Not only was the Council Tax low but 88% of properties were bands A-D which gave a very low Council Tax base. The aim was to work towards financial self-sustainability and as such he would be recommending 3.99% throughout the rest of the year and the medium term.

Councillor Gerrish expressed concern about the relatively large sums of money being discussed, up to an additional 35% budget gap over the three year period, which would amount to major increases in the amount of funding Thurrock Council as an organisation would need to find, with no commitment from the Administration as to whether or not it should be a core part of assumptions moving forwards with the budget. He continued that it might be helpful to send a message to the Administration that Members wanted clarity around their view on the three year MTFs and their assumptions. Councillor Duffin seconded Councillor Gerrish's view to ensure the Administration had a set agreement moving forward so that it would prove more difficult for plans to change last-minute.

Councillor Maney moved the discussion to section 3.5 of the report and income generation. He agreed that he personally felt it was very important, aside from just making savings and asked if the Committee might be given more information about possible options moving forward. The Director of Finance and IT informed Members that there were a number of routes available, fees and charges, areas in which the Council was not commercial enough such as trade waste where there had been an increase in activity, and officers were also looking at possibilities of investments, sponsorships and advertisements. The Committee also heard that the fraud department had undertaken some work for the Ministry of Justice and Essex Police so there was an opportunity for income generation from other similar traded works.

Councillor Maney commented that Thurrock Council was above the national average for Council Tax and Business Rate recovery but at the top end there were a few long term, larger debts still to be recovered. He asked if there were any figures around how many larger debts were outstanding and what was being done to recover them.

The Director of Finance and IT agreed that there were some outstanding debts, but not a significant amount. He advised Members that in practice the debts are written out of accounts when it seemed unlikely that they would be recovered, so that budgets could be amended accordingly, however they were never written off completely and were still pursued. He continued to state that Thurrock was top in Essex for Business Rate collection and 2nd for Council Tax and that the position had jumped from bottom quartile a few years ago to top of top quartile at the present moment nationally. The

Director of Finance and IT admitted that he did not have the figures with him but could collate them and pass them on after the meeting, but advised there were some which had additional issues particularly surrounding Adult Social Care, which would require more detailed assessment.

Councillor Duffin referred back to section 3.5 of the report and investments. He had spoken to Councillor Kent that day and requested that an item be added to the Work Programme surrounding the Council's investments. The Director of Finance and IT reminded the Committee that the delegations were set out in the Constitution and managed within a framework that was agreed by Members within the Treasury Management Strategy which was agreed annually at Council. He agreed to bring a paper which would give an overview back to the Committee.

Councillor Duffin, prompted by Councillor Maney's earlier comments asked whether there was any more information surrounding the Government's pledge to give Local Authorities 100% of business rates. The Committee was advised that the consultation documents on both Business Rates and Fair Funding Formula would be due back the coming week and Officers had drafted a response back, of which all three parties would receive a copy. The Director of Finance and IT clarified that the pledge had been that Councils as a whole would be able to retain 100% of Business Rates, but that did not necessarily mean that Thurrock would. There was also uncertainty as to what extra duties would be imposed in order for Councils to retain those rates, and so there was a possibility the responsibilities may become more costly than the money returned, or have far higher risk involved and as such the Council would not necessarily find itself in a better financial position.

Councillor Gerrish directed the Committees attention to sections 3.5 and 3.6 of the report and the possibility of reductions to or cessation of service provision. He asked to what extent had there been proposals found to cover the budget gap, and within that what was the balance of the three key areas. The Committee was assured that the level of proposals found had eaten notably into the budget gap, although reviews had only been carried out during the summer. The Director of Finance and IT expressed confidence in the ability to create a balanced budget, and stressed that none of the proposals put forward had included cessation of services, all fell within the three key areas outlined in 3.5.

Councillor Gerrish sought clarification as to whether there would be a full set of proposals to tackle the budget gap ready for when reports were taken through the Overview and Scrutiny process, or whether it was more likely that there would be a phased approach throughout the year. The Director of Finance and IT admitted that it was hard to say, and that he was not entirely certain there would be a full list of proposals to present to the Overview and Scrutiny Committees before Christmas, but there would definitely be enough to show that the gap was very much being closed. Any further proposals would be taken to Overview and Scrutiny Committees at the earliest opportunity.

RESOLVED:

- 1) That Corporate Overview and Scrutiny Committee note the revised MTF5 position, including any adjustments for an increase to the General Fund Balance.**
- 2) That Corporate Overview and Scrutiny Committee note the Council Spending Review approach and timetable.**

13. Quarter 1 Corporate Performance Report 2016/17

The Head of Strategy, Communications and Customer Services presented the report which outlined the new assessment system which differed from the previous Red, Amber, Green (RAG) coding. The report also covered the benchmarking groups used and the approaches taken, as previously requested by the Committee. Members were advised that this was an opportunity for them to comment upon the contents of the report before it would be presented at Cabinet in October.

Councillor Duffin began by referring to Planning, which had been in focus for exceptional performance, raising the concern of elected Members who had submitted complaints or queries and found the department's responses to have been slow, and asked whether anything could be done to make the process faster. The Head of Strategy, Communications and Customer Services agreed to take that feedback back to the department and respond outside of the meeting.

Councillor Duffin moved onto focus 2 and informed the Committee that he had been in contact with several residents whose bin had been missed on their usual collection day and once they had complained to the Council that it had still not been collected days later. He asked whether it would be possible to review the reporting and complaints process. The Interim Head of Environment agreed that officers were looking into ways to improve the collection service but also the response if there were missed bins.

Councillor Duffin asked what work was being done with local schools as apprenticeships were a great way to offer opportunities to young people as they were leaving school. The Improvement manager informed Members that there had been a talent pool of apprentices set up by the Recruitment Team and that there was also to be an event held in October called "Opportunity Thurrock" which involved schools and at which Thurrock Council would have a presence.

Councillor Maney asked for additional information surrounding section 2.3 and the upcoming residents' survey, particularly how it would be rolled out to residents. The Committee heard that a telephone survey would be held, to obtain results from 1000 residents selected upon the basis of age, gender, ethnicity and their location within the Borough so as to give an accurate depiction of the population as a whole. The survey would be carried out by an independent market research company, BMG and would look into residents' perceptions of council services, access to information, anti-social behaviour

and their preferred means of correspondence. A survey such as this had not been carried out within Thurrock for a number of years and it was expected to take place over 2-3 weeks in October.

Councillor Duffin asked the expected cost of the survey. The survey was expected to cost £18,000 which had been included within the existing budget.

The Chair raised concern that there may be a risk of excluding people by completing a telephone only survey. Members were assured that the market research team would continue to work through residents until the necessary quotas were met to give a proportional depiction of residents. Every methodology offered risks but postal surveys were costly and there was great difficulty in finding the most effective positioning for face-to-face interviews and as such a telephone survey had been deemed most effective, especially since the market research team would ensure that they called enough people until sufficient levels of results had been obtained.

Councillor Duffin queried the cost of benchmarking, and raised concern that each department was able to choose what they were benchmarked against. He feared the possibility to move the goalposts to ensure better standing and asked what checks were in place to avoid this. The Head of Strategy, Communications and Customer Services advised the Committee that many departments had reviewed the benchmarking groups they belonged to, partly due to the cost which had resulted in some groups having become informal, or part of existing networks. Members heard that within Thurrock Council there was a Corporate Performance Board which looked at benchmarking and targets. The Corporate Director of Adults, Housing and Health informed Members that Adult Social Care used the "Adult Social Care Outcomes Framework", which was recognised by the Department of Health, and benchmarked against nearest statistical neighbours, equivalent Unitary Authorities and Members were assured that departments did not "pick and choose" but instead had a group of similar Unitary Authorities against which they regularly benchmarked.

RESOLVED:

- 1) The Committee noted and commented upon the performance of the key corporate performance indicators in particular those areas which are IN FOCUS**
- 2) The Committee identified any areas which required additional consideration**

14. Staff Survey 2016

The Director of HR, OD & Transformation presented the report which outlined the outcomes of the 2016 staff survey, which measured Thurrock Council's performance as an employer and the performance of managers. She expressed positivity at the 71% response rate and the considerable improvement made since the 2014 survey. Members were assured that there

would be ongoing communication, particularly regarding the less positive responses in the form of a “You said, we did” campaign and a mini survey to identify progress planned to take place in Spring 2017.

Councillor Duffin asked what the cost of the survey had been and what benefit there had been as opposed to having used free survey software. Members heard that the cost of the survey had been £10,000 but the Council had retendered the contract and saved 50% of the previous cost. The requirements of using an externally accredited organisation were that Thurrock Council had access to their benchmarking data and employees would trust the confidentiality. If the survey had been run internally it would not have cost much less and there would have been uncertainty about their responses remaining confidential.

Councillor Duffin asked how the homeless department ranked, as he and other members had faced challenges when contacting the department and wondered what the feedback had been. The Director of HR, OD & Transformation advised Members that she would have to pass that information on outside of the meeting as she did not have data on every department individually to hand. Members also heard that data would depend upon response levels; it was only possible to access results for teams with more than 10 responses otherwise the confidentiality status would be breached.

Councillor Duffin noted that one of the less positive areas was IT and highlighted his own issues with the “Good” app. The Director of HR, OD & Transformation advised the Committee that there were a number of aspects and systems which contributed to the score, and in reality the “Good” app didn’t arise in the follow up workshops carried out. The Director of Finance and IT interjected that as IT was one of his areas perhaps he could shed further light on the issue. He assured members that the feedback was being taken very seriously. He also noted that oftentimes, the more IT one had access to the more one would want it to be able to do. Within the survey outcomes there had been a wide ranging set of IT issues highlighted but there would be a need to look into how IT works and whether systems could be improved. Members were advised that the majority of staff did not have access to the “Good” app, as it was only used by staff with work tablets or phones. Councillor Duffin reiterated that he found “Good” did not have much functionality. The Chair added that he had personally lost his emails the day before on the same app.

Councillor Maney agreed with the Director of HR, OD & Transformation that there was no point harvesting the data unless something was to be done with the results. He asked for clarification as to what would happen moving forward and how the action plans would be embedded. The Committee heard that six key areas of focus had been identified which would have the biggest impact in making improvements, particularly the induction process which had possibly been the most negative aspect of the survey. The induction process was now being scrutinised at all levels to improve practices and there would also be a review process over the next six months with any new starters to

see whether induction performance had improved. There was a need to demonstrate to the workforce that if their response was that something didn't work something would be done to improve matters.

Councillor Maney asked whether there would be an opportunity to look at how it would lead to change moving forwards, such as the improvement plans as they were produced and how they were monitored. Councillor Duffin supported this view. It was agreed that there would be an item added to the work programme to ensure Members could monitor the progress made.

RESOLVED:

The Committee noted and commented on the outcomes of the Staff Survey 2016 and actions identified.

15. Employee Performance Review - 2015/16

The Director of HR, OD and Transformation presented the report which linked in with KPIs and the Staff Survey as it assessed how the organisation managed the performance of individual employees. It outlined the results for the previous year's assessment process, with 87% of staff having been deemed as working well or excellently.

RESOLVED:

- 1) The Overview & Scrutiny Committee noted the report**
- 2) Those directorates with lower compliance rates for the completion of one-to-ones and PDRs confirm action plans to ensure full compliance going forward.**

16. Work Programme

Members were asked if there were any amendments to the Work Programme they wished to propose, in addition to the two reports already requested within the evening's debate.

RESOLVED:

Members noted the Work Programme, including the addition of a report on the Council's investment and the Staff Survey Action Plan.

The meeting finished at 7.57 pm

Approved as a true and correct record

CHAIR

DATE

Any queries regarding these Minutes, please contact
Democratic Services at Direct.Democracy@thurrock.gov.uk