

Agenda



**AGENDA for a meeting of the OVERVIEW AND SCRUTINY COMMITTEE
in THE COUNCIL CHAMBER, County Hall, Hertford on THURSDAY, 26 JANUARY
2017 AT 9.30AM and on THURSDAY, 2 FEBRUARY 2017 AT 10.00AM**

Please note venues and start times

Please note A.M. Session - Members participating in the evidence gathering groups meeting in the morning will need to attend the briefing with their group Members at 8.45 a.m. in the rooms indicated in Appendix 1 to the report.

Please note P.M. Session - Members participating in the evidence gathering groups meeting in the afternoon will need to attend the briefing with their group Members at 1.30 p.m. in the rooms indicated in Appendix 1 to the report.

MEMBERS OF THE COMMITTEE (16) - QUORUM (4)

County Councillors (10)

J Billing, M Cowan (Vice-Chairman), C Clapper, H K Crofton, T W Hone (Chairman),
T Hutchings, A Joynes (Vice-Chairman), G McAndrew, D E Lloyd, D T F Scudder

Parent Governor Representatives (4)

*Vacant

Church Representatives (2)

*D Morton, *J Sloan

** denotes members appointed for education scrutiny matters only.*

AGENDA

AUDIO SYSTEM

The meeting room has an audio system to assist those with hearing impairment.
Anyone who wishes to use this should contact Main (front) Reception.

PART 1 (PUBLIC) AGENDA

Meetings of the Committee are open to the public (this includes the press) and attendance is welcomed. However, there may be occasions when the public are excluded from the meeting for particular items of business. Any such items are taken at the end of the public part of the meeting and are listed under "Part II ('closed') agenda".

MINUTES [SC.8]

To confirm the Minutes of the meeting of the Committee held on 20 December 2016 (attached).

THURSDAY, 26 JANUARY 2017 AT 9.30AM

Non-Education Matters

None

Issues Including Education

1(A) SCRUTINY OF THE INTEGRATED PLAN 2017/18 - 2019/20 (INCORPORATING THE STRATEGIC DIRECTION AND FINANCIAL CONSEQUENCES AND THE TREASURY MANAGEMENT STRATEGY)

Report of the Head of Scrutiny

Report *attached*

Members are asked to bring the following reports to the meeting:

**‘Public Engagement on the Integrated Plan 2017/18 – 2019/20’
(circulated as Item 4(i) for the Cabinet meeting of 23 January 2017); and**

**‘Integrated Plan 2017/18 – 2019/20 (incorporating the Strategic Direction and
Financial Consequences and the Treasury Management Strategy)’
(circulated as Item 4(ii) for the Cabinet meeting of 23 January 2017).**

THURSDAY, 2 FEBRUARY 2017 AT 10.00AM

Non-Education Matters

None

Issues Including Education

1(B) SCRUTINY OF THE INTEGRATED PLAN 2017/18 – 2019/20: DRAFT REPORT TO CABINET

Report of the Head of Scrutiny

The draft report will be circulated to Members of the Committee on 27 January 2017 by email. Hard copies of the report will also be available to members on Friday 27 January 2017 and also at the meeting on 2 February).

Note: A form requesting feedback on the Committee's scrutiny of the Integrated Plan Proposals will be emailed at the end of the meeting. Members will be asked to complete it and to return it to Natalie Rotherham, Scrutiny Officer, Room 322, County Hall, Hertford.

2. OTHER PART I BUSINESS

None: (Such other Part I Business which, if the Chairman agrees, is of sufficient urgency to warrant consideration).

ITEMS FOR REPORT TO THE COUNCIL [SC.7 (2)]

Item 1 will be reported to Council.

Following this meeting of the Committee, the Committee's suggestions will be reported to Cabinet; the recommendations arising from the Cabinet meeting on 20 February 2017 will be considered by full Council on 21 February 2017 when it agrees its 2017/18 – 2019/20 budget.

PART II ('CLOSED') AGENDA

EXCLUSION OF PRESS AND PUBLIC

There are no items of Part II (Confidential) business on this agenda. If items are notified the Chairman will move:-

"That under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph(s) of Part 1 of Schedule 12A to the said Act and the public interest in maintaining the exemption outweighs the public interest in disclosing the information."

If you require a copy of any of the reports mentioned above or require further information about this agenda please contact Michelle Diprose, Democratic Services Officer, on telephone no. 01992 555566 or e-mail michelle.diprose@hertfordshire.gov.uk. Agenda documents are also available on the internet at <https://cmis.hertfordshire.gov.uk/hertfordshire/Calendarofcouncilmeetings.aspx> Scrutiny information (including reports on scrutiny investigations) can be found at <http://www.hertsdirect.org/scrutiny>

DATE OF NEXT COMMITTEE MEETING: 10.00am on 28 March 2017 in the Ashbourne Room, County Hall

**KATHRYN PETTITT
CHIEF LEGAL OFFICER**

Minutes



To: All Members of the Overview & Scrutiny Committee, Chief Executive, Chief Officers, All officers named for 'actions'

From: Legal, Democratic & Statutory Services
Ask for: Michelle Diprose
Ext: 25566

OVERVIEW AND SCRUTINY COMMITTEE TUESDAY, 20 DECEMBER 2016

ATTENDANCE

MEMBERS OF THE COMMITTEE

R G Beeching, J Billing, C Clapper, M Cowan (Vice-Chairman), H K Crofton, T Hone (Chairman), A Joynes (Vice-Chairman), D E Lloyd, G McAndrew, D T F Scudder

*PARENT GOVERNOR / CHURCH REPRESENTATIVES (VOTING)

None present

**denotes members appointed for education scrutiny matters only*

Other Members in Attendance

R H Beeching, C M Hayward, I M Reay, L F Reeve, P A Ruffles, A Stevenson, M A Watkin, C B Woodward

PART I ('OPEN') BUSINESS

CHAIRMAN'S ANNOUNCEMENTS

(i) Welcome

The Chairman welcomed Chris Hayward, Executive Member for Resources and Performance, Owen Mapley, Director of Resources, Claire Cook, Assistant Director Finance, other Members in attendance and graduate trainees supporting the Integrated Plan (IP) scrutiny to the meeting.

(ii) Scrutiny in Hertfordshire

- (a) The Chairman advised the Committee that, in view of scrutiny operating in an increasingly challenging environment, a scrutiny handbook was being prepared to provide new and existing Members and officers of the County Council with information regarding the way in which scrutiny is conducted by the Council. The handbook would be shared with Members of the Committee in due course. In addition, the paperwork supporting scrutiny activity was also being revised to reflect current and future demands.
- (b) The Chairman also advised Members that the title and status of the Monitoring of Recommendations Topic Group was being reviewed to ensure it reflected the importance of its role and responsibilities. Members would be kept informed of progress.

MINUTES

The Minutes of the meeting of the Committee held on Thursday, 10 November 2016 were confirmed as a correct record and signed by the Chairman.

| 1 INTEGRATED PLAN PROPOSALS 2016/17 AND FUTURE YEARS Overview of Resources, Pressures and Key Issues | ACTION |
|---|---------------|
| [Officer contacts: Owen Mapley, Director of Resources (01992 555601), Lindsey McLeod, Head of Accountancy Services (Tel: 01992 556431)] | |
| 1.1 The Executive Member for Resources and Performance and the Director of Resources provided the Committee with an overview of the Integrated Plan (IP) proposals for 2017/18 – 2019/20 prior to the Committee’s scrutiny of the proposals early in the New Year. | |
| 1.2 Members were provided with a timetable for the Plan and received information regarding strategic direction plans, revenue budget and funding, pressures, the Council’s capital programme and reserves. | |
| 1.3 Key points raised in the presentation to Members and in the Committee’s discussion are set out below (the full report to Committee can be viewed here https://cmis.hertfordshire.gov.uk/hertfordshire/Calendarofcouncilmeetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/588/Committee/6/Default.aspx):- | |

**CHAIRMAN’S
INITIALS**

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1.4 Context

1. The Integrated Plan proposals would bring together the financial impact of service plans and the available funding to resource these over the next 3 years.
2. Strategic direction plans had been produced setting out the future direction of each portfolio in the context of achieving substantial further savings; where policy changes had been required, these had been through cabinet panels and Cabinet for approval during 2016. Given the extent of the savings required from 2018/19 onwards it would be necessary to continue to develop proposals for savings; work to identify further efficiency savings and policy options was underway and would be considered by cabinet panels and Cabinet in due course.

1.5 Revenue Budget: Funding Gap and Resources

3. The funding gap, based on the Local Government Finance Settlement 2016/17, was £34m for 2017/18 rising to £75m by 2019/20.
4. The County Council had submitted an Efficiency Plan to Government meeting the requirements for a confirmed 4 year settlement.
5. The provisional settlement for local government was announced on 15 December 2016; a consultation had been published and a response would be prepared for submission by the 13 January 2017 deadline. The Final Settlement would be confirmed in early February 2017. (A briefing note on the provisional settlement for Hertfordshire County Council can be viewed here <https://cmis.hertfordshire.gov.uk/hertfordshire/Calendarofcouncilmeetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/588/Committee/6/Default.aspx>).
6. There continued to be growth in the council tax base; the draft IP figures assumed 0.8% per annum, which provided an additional £3m. Officers had been working with districts to improve forecasting which indicated that there may be some additional growth above this (to be confirmed in the New Year).
7. The referendum threshold of a 2% increase in Council Tax remained; the additional Social Care Precept of 2% per year also remained, however, whilst remaining capped at 6% over

the next 3 years, it could be raised to 3% in 2017/18 and 2018/19. This might help ease immediate pressures but would result in a 0% rise being available in 2019/20.

8. The Government had confirmed its commitment to fundamental changes to local authority funding, through 100% retention of rates; pilots of full retention were going ahead in London, Manchester, Liverpool, and extended to Cornwall, West of England and West Midlands, all of which were areas that had agreed devolution deals. Additionally, its Fair Funding review of authorities' needs analysis would be taken forward. The Council would continue to contribute to the Department for Communities and Local Government's working groups and consultations on this were expected in the New Year.
9. A new Adult Social Care Support (ASC) Grant had been announced for 2017/18, funded by reductions in the New Homes Bonus; this was not new money but a redistribution of funding already promised to councils. For the County Council this would provide an additional £4.153m for 2017/18; however, it would result in an overall net loss across all Hertfordshire authorities. Officers agreed to provide additional information on the impact on the Council of the New Homes Bonus to Members.
10. Reductions in the national public health budget by £84 million had been confirmed (£1.234m for Hertfordshire in 2017/18, rising to £3.739m by 2019/20; these reductions were in addition to existing reductions of £3.1m in 2016/17).
11. Loss of Education Support Grant had been confirmed from September 2017 (this funding was currently received directly by the County Council to fund central education support services); some would come back as part of the Dedicated School's Grant and final figures were expected on 20 December 2016.

Owen Mapley

1.6 Pressures

12. The greatest pressure in maintaining a standstill budget was the impact of demographic change (an increasing ageing population some of whom had complex health and social care needs) which continued to increase above previous estimates; this pressure needed addressing whilst ensuring high level safeguarding and service provision standards were maintained.
13. The introduction of the new rate for the National Living Wage was in the process of being modelled so that its impact could be

assessed.

14. Herts Valleys Clinical Commissioning Group (HVCCG) had proposed ceasing its contribution to the Council for health and social care, equating to approximately £8.5m per annum; withdrawal of these funds would present a significant additional pressure on the Council's budget. The County Council had challenged this proposal and discussions with HVCCG were in progress. A similar proposal had not been put forward, thus far, from the CCG serving the east and north of the County.
15. The impact of rising inflation on pay and non-pay budgets was significant; the cumulative estimate for 2017/18 was £13.2m rising to £43.080m in 2019/20. These levels would be reviewed within the IP proposals.

1.7 Capital Programme

16. The IP would include a capital strategy setting out priorities for investment including those relating to maintaining and renewing infrastructure to support front line service delivery. Services were reviewing all existing schemes to ensure budgets were still required, to review cashflow profiling and to ensure grant or other funding was applied wherever possible.
17. With current low interest rates, officers were reviewing future potential receipts and were investigating options to generate optimum returns from non-operational sites; developing Property Company proposals might also impact on capital receipts and these would require consideration in the approach to treasury management, cashflows and borrowing levels in the short term.
18. The Invest To Transform fund was being refreshed with the introduction of a formal investment panel ahead of Cabinet decisions for bids over £150k. This would include a more rigorous review of the "five tests" applied to all robust business cases: 1) Strategic fit; 2) Economic options appraisal and NPV analysis; 3) Assessment of commercial model proposed and if appropriate (e.g. make vs buy); 4) Financial/Affordability assessment; 5) Project Management/Deliverability Assessment (i.e. do we have the right skills and capacity to deliver). The Council was also looking to engender a level of "competition" to encourage innovative ideas and creativity from front line staff to bid for "invest to save" funds to pursue cost saving and/or service improving ideas.

1.8 Reserves

19. A prudent level of General Fund Balances was set for 2016/17 at 4% of the Net Revenue Budget, equating to £32.1m; all general and specific reserves would be reviewed during the IP process and officers were working with service teams to understand the range of financial and operational risks so that the size of any required contingencies and reserves could be properly assessed.

1.9 Members were reminded and encouraged to participate in the IP scrutiny and to contribute suggestions for achieving a balanced budget for 2017/18 – 2019/20.

Conclusion

1.10 The Committee noted the report.

2. SCRUTINY RECOMMENDATIONS: UPDATE

[Officer contact: Natalie Rotherham, Scrutiny Officer (01992 555300)]

2.1 The Committee received a report providing the recommendations from the ‘the Flood Risk Management Topic Group’, the ‘Herts Waste Partnership Topic Group (HWP)’ and the Hertfordshire Safeguarding Children Board (HSCB) Topic Group’.

2.2 It was noted that the HWP Topic Group report had been provided to Hertfordshire district and borough Chief Executives, Leaders and the relevant Executive Members. In order to pursue further collaboration between the County Council and District and Borough Councils, the Committee requested that officers also seek to have the Topic Group’s report included on the agenda of the next Hertfordshire Leaders’ meeting.

2.3 The Chairman of the Traffic Regulation Orders (TRO) scrutiny advised the Committee that information requested by the Topic Group had still not been received. The information related to the costs incurred outside of the TRO team; the Topic Group had requested that a breakdown of the project costs involved in 6 HLB (highways locality budget) scenarios be provided in order that they could be assessed for acceptability and to establish where reductions in costs could be made. The Committee requested that highways officers be reminded that this information was still required.

2.4 Members noted that there had been no Executive Member responses received since the last meeting of the Committee.

Natalie
Rotherham

Natalie
Rotherham /
Steve Johnson

2.5 The Committee was advised that the Monitoring of Recommendations Topic Group had met on 25 November 2016 and had signed off as completed all outstanding topic group recommendations. Members were further advised that one further item had been due to have been considered by the Topic Group in February 2017; the Topic Group had, however, decided to defer consideration of this item of business until its first meeting following the local government elections in May 2017.

Conclusion

2.6 The Committee noted the 'Flood Risk Management Topic Group', the 'Hertfordshire Waste Partnership Topic Group' and the 'Hertfordshire Safeguarding Children Board Topic Group' scrutiny recommendations, set out in Appendix 1(a), 1(b) and 1(c) to the report, and agreed that progress on their implementation be considered by the Monitoring of Recommendations Topic Group at its first meeting in the new County Council.

Natalie
Rotherham /
Michelle
Diprose to
note / action
all

3. SCRUTINY WORK PROGRAMME 2016 – 2017

[Officer contact: Natalie Rotherham, Scrutiny Officer (01992 588485)]

3.1 The Committee considered its work programme 2016 – 2017, attached as Appendix 1 to the report, noting those scrutinies recently concluded and those scheduled for the forthcoming period.

3.3 As a result of its discussions the Committee agreed some amendments to its work programme; these are recorded at paragraph 3.6 below.

3.4 The draft scoping document for the Children's Services Children's Centre Topic Group, attached as Appendix 2 to the report was also received.

3.5 Members noted that the work programme would be presented to the first meeting of the Committee in the new County Council (following the local government elections in May 2017) for consideration and approval and/or amendment, including the priority and timing of future scrutinies.

Natalie
Rotherham
/Michelle
Diprose
to note and
action

Conclusion

3.6 1. The work programme considered at this meeting reflected the decisions made by the Committee at its last meeting.

Natalie
Rotherham
Charles
Lambert/
Michelle

**CHAIRMAN'S
INITIALS**

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2. The Committee amended its work programme as follows:-
 - (i) The March 2017 meeting of the Committee should include a report providing feedback on the Integrated Plan scrutiny conducted in January/February 2017;
 - (ii) The main focus of the Committee's meeting in June 2017 should be Committee's 2017 – 2018 work programme;
 - (iii) The annual scrutiny of the Hertfordshire Safeguarding Children Board should be included in the work programme for 2017; and
 - (iv) A scrutiny of 'Highways' should be added to the work programme; the focus of which should be determined by the new Committee.
3. The Committee agreed that no scrutinies be deleted from the work programme.
4. The Committee agreed that the work programme 2017 – 2018, attached as Appendix 1 to the report and as amended in 2. above, be approved.
5. The Committee noted that the Health Scrutiny Committee meeting in March (being conducted over 2 days; 16 and 30 March 2017) would be its scrutiny of the NHS budget, quality and patient experience.
6. The Committee noted that (as agreed its last meeting) the Child and Adolescent Mental Health Services Transformation Board scrutiny had been re-assigned as a scrutiny of the Health Scrutiny Committee (rather than as a joint scrutiny of both committees); with participation from Members of the Overview and Scrutiny Committee welcomed.
7. The Committee requested that the Health Scrutiny Committee consider renaming the 'Discharge' scrutiny to one better explaining the nature of the scrutiny to be undertaken.
8. The Committee noted the draft scoping document for the Children's Service Centre Topic Group, attached as Appendix 2 to the report.

4. OTHER PART I BUSINESS

- 4.1 There was no other Part I business.

REPORT TO COUNTY COUNCIL

A summary of all items will be reported to the County Council at its meeting on 21 February 2017.

Michelle
Diprose

**KATHRYN PETTITT,
CHIEF LEGAL OFFICER**

CHAIRMAN _____

**CHAIRMAN'S
INITIALS**

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Provisional Settlement 2017/18 – Briefing note

The provisional local government finance settlement was announced by the Secretary of State for Communities and Local Government, Sajid Javed, on 15 December. Key headlines are as below. A consultation has been published and a response will be prepared for submission by the 13 January deadline. The Final Settlement will then be confirmed in early February.

Key Messages

- The four year settlement has been confirmed for authorities who submitted an Efficiency Plan, including Hertfordshire. However, total Core Spending power has reduced by 1.14% nationally, due to changes in the New Homes Bonus.
- No new money from central government has been included in the settlement. The Government has, however, created more flexibility by allowing the social care precept to rise by an additional 1 per cent in 2017/18 and 2018/19 (from 2 per cent to 3 per cent), on condition that the total increase to 2019/20 does not exceed 6 per cent. As the total allowable precept increase over the remaining years of the Spending Review remains the same, there is no additional funding by 2020 – although the frontloading could be helpful in meeting immediate pressures. Nationally, the precept will raise different amounts of money for social care in different parts of the country unrelated to need, and will add an extra financial burden to council tax payers.
- A new Adult Social Care Support Grant has been announced for 2017/18, using savings of £241 million from the reform of the New Homes Bonus. This is not new money but a redistribution of funding already promised to councils. Within Hertfordshire, the reduction in New Homes Bonus was £1.3m for HCC and £5.3m for Districts. HCC has gained £4.153m ASC Support Grant – a net outflow of £2.4m across the county, the third highest of all Shire counties.
- Changes to New Homes Bonus include reducing the length of time that the bonus is paid from six years to five years in 2017/18; and to four years from 2018/19. A baseline threshold is also being introduced, higher than indicated in last year's consultation: authorities will need to achieve growth of greater than 0.4 per cent before they receive any NHB funding. The Government will not withhold payments in 2017/18 from local authorities that have not submitted their local plan, but will revisit this from 2018/19. It intends to withhold payments for residential development that has been allowed on appeal, from 2018/19.
- Reductions in the public health budget by £84 million were confirmed (£1.234m for Hertfordshire in 2017/18, rising to £3.739m by 2019/20, and coming on top of existing reductions of £3.1m in 2016/17). This will reduce the capacity of authorities to fund preventative activities and improve the public's health and so reduce pressures on adult social care and the NHS.
- All top-ups and tariffs have been recalculated in line with the draft list following the 2017 business rates revaluation. The impact is net neutral nationally. The business rates multiplier has also been adjusted to reflect the new valuations, and includes some provision for increased appeals expected. Estimates of business rates income in Hertfordshire will not be confirmed until end January.

- The government has confirmed its commitment to fundamental changes to local authority funding, through 100% retention of rates. Alongside this, it is also taking forward its Fair Funding review of authorities' needs analysis. We will continue to contribute to DCLG working groups and consultations expected in the New Year.
- We await further details of changes to Education Services Grant (ESG) from 2017/18 to deliver the £600 million reduction in funding announced in Spending Review 2015. Funding for the retained duties element of ESG (£15 per pupil) will be transferred into DSG from 2017/18. The remaining general funding rate element of ESG will be paid at a transitional rate between April 2017 and August 2017, after which it will be replaced by a separate grant covering their statutory intervention functions – only £50m nationally.
- The Government will not at this stage be introducing referendum principles for parish and town councils. They will keep the level of precepts set by town and parish councils under review and may introduce referendum principles in the future.

HERTFORDSHIRE COUNTY COUNCIL
OVERVIEW AND SCRUTINY COMMITTEE

Agenda Item No.

1(A)

THURSDAY, 26 JANUARY 2017 AT 9.30AM and
THURSDAY, 2 FEBRUARY 2017 AT 10.00AM

SCRUTINY OF THE INTEGRATED PLAN 2017/18 - 2019/20
(INCORPORATING THE STRATEGIC DIRECTION AND FINANCIAL
CONSEQUENCES AND THE TREASURY MANAGEMENT STRATEGY)

Report of the Head of Scrutiny

Authors: Natalie Rotherham, Scrutiny Officer (Tel: 01992 588485)
Michelle Diprose Democratic Services Officer (01992 555566)

1. Purpose of report

- 1.1 To provide Members with the format for the Committee's scrutiny of the Integrated Plan (IPP) 2017/18 – 2019/20.

2. Summary and Background

- 2.1 As agreed by the Committee in April 2016, the Committee will adopt the same process as was undertaken for its previous scrutiny of the IP in 2016/17.

2.2 Thursday 26 January 2017

- 2.2.1 The Committee meeting will start at 9.30am in the Council Chamber. Prior to that the member groups will meet at 8.45 a.m. to discuss questions, the information required from portfolio holders and to agree their approach to the evidence gathering in advance of the formal meeting. At the Committee Members will receive an introduction to the scrutiny from the Chairman; a summary of the format of the Committee's scrutiny by the Scrutiny Officer and an oral report from the Director of Resources, who will provide the Committee with the context within which the integrated plan proposals have been prepared. The Committee will then adjourn to gather its evidence. Each Member Group will focus on a specific portfolio area; four portfolios will be scrutinised in the morning and four in the afternoon.

- 2.2.2 Each Member Group will have a graduate trainee and a chairman who will ensure that the Group covers its questions thoroughly in the time allocated. Key questions are set out at Appendix 2 to the report. As in previous IP scrutinies the questions are a guide for Members who are not precluded from asking other questions.

2.2.3 The eight Member evidence groups will look at Executive Member portfolios:-

Morning session

- Community Safety & Waste Management
- Enterprise, Education & Skills
- Highways
- Resources & Performance

Afternoon session

- Adult Care & Health
- Children's Services
- Environment, Planning & Transport
- Public Health, Localism & Libraries

2.2.4 Each of the portfolios will be supported by the relevant Executive Member, a chief/senior service officer and a senior finance officer.

2.2.5 At the end of the evidence gathering process the session will close and the Committee will reconvene at 10.00am on Thursday, 2 February 2017.

2.2.6 During the intervening period the Scrutiny Officer and the Democratic Services Officer will meet with the graduate trainees; they will prepare a draft report for the Committee to consider when it reconvenes on 2 February 2017. The draft report will be circulated to Members of the Committee on 27 January 2017 by email. Hard copies of the report will also be available to members on Friday 27 January 2017 and at the meeting on 2 February.

2.3 Thursday, 2 February 2017

2.3.1 The Committee will reconvene at 10.00am on Thursday, 2 February 2017 in the Council Chamber. Members will be asked to agree their suggestions to Cabinet.

2.3.2 Scrutinies proposed as a result of the IP scrutiny will be considered by the Committee at its meeting on 28 March 2017.

2.3.3 Requests for further information will be limited to the IP and will be confirmed by the Committee at its meeting on 2 February 2017. The information requests will be issued to officers for a response prior to the County Council 21 February.

3. Suggestions to Cabinet

- 3.1 The Committee's suggestions will then be reported to Cabinet for consideration at its meeting on 20 February 2017. Cabinet will make suggestions to the Council on 21 February 2017 when the Council's Integrated Plan 2017/18 – 2019/20 will be agreed.

4. Supporting Appendices

- 4.1 Appendices attached to this report are as follows:-

- Appendix 1 Programme for 26 January and 2 February 2017
- Appendix 2 Themes & Questions
- Appendix 3 Allocation to Member Groups, Group Leads, Facilitators, Room Allocation
- Appendix 4 Benchmarking Briefing Note

Background Information

Agenda, reports and minutes, Overview & Scrutiny Committee, April 2016, June 2016, October 2016 and December 2016.

**SCRUTINY OF THE INTEGRATED PLAN 2017/18 - 2019/20
(INCORPORATING THE STRATEGIC DIRECTION AND FINANCIAL
CONSEQUENCES AND THE TREASURY MANAGEMENT STRATEGY)**

PROGRAMME

DAY ONE: THURSDAY, 26 JANUARY 2017

***8.45 a.m. Members are asked to go to the rooms in which
their group will be meeting and to go to the Council Chamber
at 9.30 a.m.***

| <u>MORNING SESSION</u> | | | |
|-------------------------------|--|---|---|
| TIME | SESSION | COMMENT | LOCATION |
| 8.45am | Briefings for Member evidence gathering groups | Each Member evidence gathering group to be briefed by its Chairman and agree key lines of questioning | A.M. Portfolios Community Safety & Waste Management – Mimram Room Enterprise, Education & Skills – Asbourne Room Highways – Labour Committee Room (Room 130) Resources & Performance – Conservative Meeting Room (Room 121) |
| 9.30am | Chairman's welcome and confirmation of the Minutes of the last meeting | | Council Chamber |
| 9.35am | Scrutiny Officer | Introduction | Council Chamber |
| 9.40am | Director of Resources | The Integrated Plan 2017/18 – 2019/20 | Council Chamber |
| 9.50am | Committee adjourns; Members break into their evidence gathering groups | Coffee/tea etc will be provided at each of the group tables | A.M. Portfolios Community Safety & Waste Management – Mimram Room Enterprise, Education & Skills – Ashbourne Room Highways – Labour Committee Room (Room 130) Resources & Performance – Conservative Meeting Room (Room 121) 121) |
| 10.00am | Evidence gathering groups commence questioning | 2 hours has been allowed | Rooms as detailed above |

| | | | |
|--------------------|---|--|--|
| 12 noon 12.30pm | Members to agree their suggestions to Cabinet | <i>Note: Further refreshments will be delivered to group room at 12 noon</i> | |
| 12.30pm | LUNCH BREAK | Members are asked to make their way to the canteen for lunch | |

AFTERNOON SESSION

| | | | |
|----------------------|---|--|---|
| 1.30pm | Briefings for Member evidence gathering groups | | P.M. Portfolios Adult Care & Health – Labour Committee Room (Room 130) Children’s Services – Ashbourne Room Environment, Planning & Transport – Conservative meeting Room (Room 121) Public Health, Localism & Libraries – Conservative Meeting Room (Mimram Room) |
| 2.15 pm | Evidence gathering groups commence questioning | 2 hours has been allowed | Rooms as detailed above |
| 4.15 pm – 4.45 pm | Members to agree their suggestions to Cabinet | <i>Note: Further refreshments will be delivered to group room at 4.00 p.m.</i> | |
| CLOSE | | Committee to reconvene at 10.00am on THURSDAY 2 FEBRUARY 2017 in the Council Chamber, County Hall | |
| 4.45pm onwards | Scrutiny Officer and Democratic Services Officer to meet with graduate trainees | Draft findings and suggestions to Cabinet | Mimram Bar |

FRIDAY, 27 JANUARY 2017

| | | | |
|---------|--|--|--|
| 11.00am | Scrutiny Officer and Democratic Services Officer | Prepare draft report to Committee | |
| 5.00pm | Scrutiny Officer /Democratic Services Officer | Draft report circulated by email to participating Members and officers | |
| 5.00pm | Democratic Services Officer | Hard copies of the report available | |

FRIDAY, 27 JANUARY 2017

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|---------|---|-------------------------------------|--|
| 10.00am | Scrutiny Officer /Democratic Services Officer | Hard copies of the report available | |
|---------|---|-------------------------------------|--|

DAY TWO: THURSDAY, 2 FEBRUARY 2017
10.00am in the Council Chamber

| TIME | SESSION | COMMENT | LOCATION |
|-------------------|---|----------------|-----------------|
| 10.00am – 12 noon | Committee debate the draft report to Cabinet (including feedback from Group Chairmen) | | Council Chamber |
| 12 noon – End | Committee agrees its Suggestions to Cabinet | | Council Chamber |
| CLOSE | | | |

**SCRUTINY OF THE INTEGRATED PLAN 2017/18 - 2019/20
(INCORPORATING THE STRATEGIC DIRECTION AND FINANCIAL
CONSEQUENCES AND THE TREASURY MANAGEMENT STRATEGY)**

GROUPINGS

Morning: Community Services & Waste Management; Enterprise Education & Skills; Highways; and Resources & Performance

Afternoon: Adult Care & Health; Children's Services; Environment, Planning & Transport; and Public Health, Localism & Libraries

KEY THEMES AND QUESTIONS

- 1 **What are the key priorities for the portfolio over the period 2017/18 – 2019/20?**
- 2 **What are the key pressures and challenges facing your portfolio for 2017/18 – 2019/20?**
- 3 **What are the key projects/programmes that the portfolio will deliver 2017/18 – 2019/20?**
How the portfolio will meet key objectives / deal with key pressures and challenges.
To include details of
 - a. Changes to Core Service Delivery : Key projects to '**run the business**' with an ongoing emphasis on delivering efficiencies and improvement
 - b. Service-specific transformation initiatives: Key projects to '**change the business**' (under the Transformation agenda)
 - c. Key projects / programmes that will contribute to supporting **HCC's cross-cutting Transformation programmes** i.e:
 - Making the most of our property and office and service accommodation
 - Increasing commercial opportunities
 - Supporting the right approaches to prevention and demand management
 - Using outcome driven technology to respond to fast-changing digital opportunities
 - Having a high performing, engaged, and committed workforce
 - Developing and enabling SmartWorkers throughout the organisation
 - d. Key collaborations (both with external partners and cross departmental work within HCC) – including the financial and other benefits of delivering these

- 4 How has the portfolio reviewed its effectiveness / value for money in delivering service outcomes?**

- 5 What are the key savings proposals that have been identified to meet the budget gap 2017/18 to 2019/20; what additional actions will need to be taken to achieve these, and what are the potential impacts?**

- 6 What are the key risks in delivering projects and programmes for this portfolio, and what mitigations are in place? What steps are being taken to ensure resilience?**

**SCRUTINY OF THE INTEGRATED PLAN 2017/18 - 2019/20 (INCORPORATING
THE STRATEGIC DIRECTION AND FINANCIAL CONSEQUENCES AND THE TREASURY MANAGEMENT STRATEGY)**

Scrutiny Groups

| MORNING SESSION | | | | | |
|--|---|-----------------------|--|---|-----------------------|
| ((F) = Finance Officer Support) | | | | | |
| ((GT) = Graduate Trainee Support) | | | | | |
| PORTFOLIO & EXECUTIVE MEMBER | PORTFOLIO AREAS | CHAIRMAN | GROUP MEMBERSHIP | OFFICERS ATTENDING | ALLOCATED ROOM |
| Community Safety and Waste Management Richard Thake (Tony Hunter with evidence gathering groups) | Fire & rescue; trading standards & consumer protection; resilience; community safety; relations with the Police & Crime Commissioner and the Constabulary; the requirements of Counter Terrorism and Security Act: waste management; leading for the County Council on the Hertfordshire Waste Partnership. | Colin Woodward | Judi Billing Steve Drury Richard Henry Dave Hewitt Sara Johnston Peter Knell Graham McAndrew Paul Mason | Roy Wilsher Daryl Keen Simon Aries Sian Hedger (F) (GT) Ashton West | Mimram Room |
| Enterprise, Education and Skills David Williams (Morris Bright - apologies) | Economic development; relations with Hertfordshire's business community; skills for employment; leading for the County Council on the Local Enterprise Partnership: school improvement & standards; special educational needs; school place planning and admissions; relations with | Roger Beeching | Nigel Bell Lynn Chesterman Malcolm Cowan Ken Crofton Fiona Hill *David Morton *John Sloan *Church Representative | Simon Newland Jan Hayes-Griffin Abioye Asimolowo (F) (GT) Ross McLean | Ashbourne Room |

| | | | | | |
|--|---|-------------------|---|---|--|
| | further and higher education. | | | | |
| Highways Terry Douris (Ralph Sangster) | Highways maintenance; new roads and improvements; major infrastructure delivery; traffic management; road safety (including school crossing patrols and safer routes to schools); street lighting; relationships with other highways authorities and Highways England; provision for cycling and pedestrians; highways development control issues. | Leon Reeve | David Andrews Caroline Clapper Tony Hunter Tim Hutchings Anne Joynes Seamus Quilty Sandy Walkington Mark Watkin | Rob Smith Mike Collier/ Joanne Butcher (F) (GT) Abdirizak Hussein | Labour Committee Room (Room 130) |
| Resources and Performance Chris Hayward (Andrew Stevenson) | Strategic policy including the Corporate Plan; national and regional issues; Hertfordshire Forward; corporate communications; Property Development Programme. Cross-cutting theme: business transformation and efficiencies. Finance (revenue and capital); property (except the Property Development Programme) & technology (including carbon management for County Council estate and operations); human resources and organisational development (including member training); legal and member | Ian Reay | John Barfoot Frances Button Dreda Gordon Michael Muir Derek Scudder Richard Smith Ron Tindall William Wyatt-Lowe | Owen Mapley Claire Cook Lindsey McLeod (GT) Simon Pagden | Conservative Meeting Room (Room 121) |

| | | | | | |
|--|---|--|--|--|--|
| | services; registration and citizenship service; Coroner service; land charges; procurement; external audit; Hertfordshire Business Services; Herts Catering; performance management and reporting; Assurance (including health & safety); data quality; equalities. | | | | |
|--|---|--|--|--|--|

| AFTERNOON SESSION | | | | | |
|--|--|--------------------------|--|--|----------------------------------|
| ((F) = Finance Officer Support) | | | | | |
| ((GT) = Graduate Trainee Support) | | | | | |
| PORTFOLIO & EXECUTIVE MEMBER | PORTFOLIO AREAS | GROUP LEAD MEMBER | GROUP MEMBERSHIP | OFFICERS ATTENDING | ALLOCATED ROOM |
| Adult Care and Health Colette Wyatt-Lowe (John Barfoot with evidence gathering groups) | Adult care and safeguarding; health & wellbeing (excluding public health); gypsy sites: relationships with NHS trusts and commissioning groups serving Hertfordshire; leading for the County Council on the Health & Wellbeing Board. | Ron Tindall | Malcolm Cowan Ken Crofton Dreda Gordon Tony Hunter Sara Johnston Michael Muir | Iain MacBeath Helen Maneuf/ Matt Buckland (F) (GT) Shehab Choudhury | Labour Committee Room (Room 130) |
| Children's Services Richard Roberts (Sara Johnston with evidence gathering groups) | Lead Member for all Children's Services, including Education, for the purposes of the Children Act 2004. Children's social care; corporate parenting; child protection; family placement; children's residential care; children with disabilities; young people's services (including Youth Connexions); early intervention; early years, children's centres & childcare; thriving/ troubled families initiative; youth offending. | Mark Watkin | Roger Beeching Nigel Bell Lynn Chesterman Anne Joynes Ralph Sangster William Wyatt-Lowe | Jenny Coles Simon Newland Abioye Asimolowo (F) (GT) Felix Gilding | Ashbourne Room |

| | | | | | |
|--|---|-----------------------------|---|--|---|
| <p>Environment, Planning and Transport Derrick Ashley (David Andrews)</p> | <p>Hertfordshire's built and natural environment; countryside management; Lead Flood Authority; environmental intelligence; rights of way; climate change (excluding County Council estate and operations); leading for the County Council on the Hertfordshire Infrastructure and Planning Panel: strategic planning; waste planning; minerals planning; airport policy: Local Transport Plan; leading for the County Council on the Local Transport Board; passenger transport: leading for the County Council on the Lee Valley Regional Park Authority.</p> | <p>Tim Hutchings</p> | <p>Frances Button Steve Drury Fiona Hill Graham McAndrew Paul Mason Leon Reeve Richard Smith Sandy Walkington</p> | <p>Jonathan Tiley Simon Aries Tom Hennessey Jan Hayes-Griffin Mike Collier /Joanne Butcher (F) (GT) Rory Seymour</p> | <p>Conservative Meeting Room (Room 121)</p> |
| <p>Public Health, Localism and Libraries Teresa Heritage (Fiona Hill with evidence gathering groups)</p> | <p>Health protection; health improvement; health services quality; sport and recreation: Cross cutting theme: localism. localism; volunteering; relations with the voluntary sector; District Council local strategic partnerships; relations with Town & Parish Councils; Hertfordshire Community Covenant: culture (libraries, museums and the arts); adult and family learning; Cross-cutting theme: customer service; customer Service Centre; web site.</p> | <p>Judi Billing</p> | <p>David Andrews Dee Hart Dave Hewitt Seamus Quilty Ian Reay Derek Scudder</p> | <p>Jim McManus Alex James Taryn Pearson-Rose Sue Chalkley (F) (GT) Nushrath Khandoke</p> | <p>Mimram Room</p> |

Not allocated to a group:-

Terry Hone, Chairman of OSC will be a reserve for any group

BRIEFING NOTE TITLE: IPP 2017 preparation

NB - the briefing note should be 2 pages maximum. If longer it will be edited.

OBJECTIVE:
In readiness for the IPP scrutiny Members would like an overview of bench marking and the ability to confidently compare national data.

BACKGROUND
As part of the IPP process departments are asked to supply benchmarking data. Members are unclear if recent changes to the collection of benchmarking data have had a negative impact on the quality or reliability of the comparative results.

QUESTIONS TO BE ADDRESSED:
1. A query has arisen in view of changes to the gathering of benchmark data which was introduced by the government in recent years.
2. And is there any scope to improve benchmarking both in the short and medium term?

OUTCOME/S:
1. Members have a better understanding of benchmarking used as part of IPP
2. Are better informed within a Hertfordshire context.

LEAD OFFICER Owen Mapley, Director of Resources

DATE DUE: 19 September 2016

The “Reducing Burdens” policy introduced by the last government and the demise of the Comprehensive Area Assessment (CAA) performance framework has had a negative impact on the availability of national benchmarking data. This has been an issue for local authorities. Hertfordshire County Council (HCC) was already developing an approach linked to the IPP process which ensures appropriate benchmarking information is available to meaningfully compare and evaluate performance. The approach centres on using multiple sources of benchmarking information of sufficient quality and currency which is fit for the purpose, recognising that diverse organisational structures operate in local authorities.

1. National benchmarking data sources and tools - A number of sources of national benchmarking data still exist, often where there a statutory requirement to collect and publish data, or where the sector has continued to generate comparative information even though there is no statutory requirement to do so. Where these are available our services routinely use them for comparative reporting and analysis purposes. Examples include the Public Health Outcomes Framework, the Adult Social Care Outcomes Framework, the Children in Care Performance Tables and Waste DataFlow. All published datasets are recorded on the national Local Government (LG) Inform system (to which we subscribe).
2. CIPFA benchmarking packages - CIPFA offer several benchmarking packages, these include the Corporate Services benchmarking clubs, corporate financial statistics and their Value for Money toolkit. They rely on authorities signing up to providing their data which is then shared on a subscription basis. As the number of

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- subscribers has dwindled, perhaps in line with national developments, so the value of the service has reduced. HCC subscribes to a range of CIPFA products.
3. Family Group benchmarking clubs - There are several issues associated with relying exclusively on national benchmarking data – it is often out of date by the time it is made available, the data does not provide any meaningful insight into the organisational structure/service model which sits behind the figures. Accordingly, as part of the IPP process, services develop more informal benchmarking clubs. These ‘Family Groups’ have been well established in many services for some considerable time and tend to focus around geography (e.g. Eastern Region), or those authorities with a similar demography (e.g. statistical neighbours). They provide valuable insight as the members of the family group are more prepared to share the delivery model which sits behind the figures because of the nature of the data sharing arrangement.
 4. In depth comparisons - HCC also undertake some in depth comparative work with one or a number of authorities of a similar size and demography. For example, back-office costs were examined in detail in work carried out with Hampshire in 2012 and Essex in 2014. The outputs from this work have fed into the IPP process.
 5. LG Inform - The LG Inform system allows customised reports to be developed comparing an authority’s performance against standard or custom comparators. All national indicators are automatically fed into the LG Inform system as they are published. However the current policy is for all data to be made public after 12 months, which is not appropriate for local benchmarking where data is frequently provisional.

HCC have built on an approach which makes best use of available national benchmarking data and tools, supplemented with a drive to develop local benchmarking arrangements to provide meaningful and actionable information to inform the IPP process, service planning and performance monitoring. This has militated against the potentially negative impact that the recent changes to the gathering of benchmarking data might have had on the quality and reliability of the comparative data we use for the IPP process.

HCC continue to look at ways in which to further improve the quality, currency and usefulness of our comparative data. The improvement areas include:

- Developing regional benchmarking arrangements, building on the Children’s Services benchmarking service we co-ordinate and deliver for authorities in the eastern region and the benchmarking provided nationally for the National Association of Waste Disposal Authorities
- Maintaining an up to date central register of all benchmarking clubs in HCC so that a more co-ordinated approach can be taken, with particular emphasis on identifying and addressing any overlaps and gaps in coverage
- More effective promotion and use of the LGA’s “LG Inform” benchmarking tool