

Minutes



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

From: Democratic Services
Ask for: Deborah Jeffery
Ext: 25563

OVERVIEW AND SCRUTINY COMMITTEE WEDNESDAY, 22 JANUARY 2020 AND THURSDAY, 30 JANUARY 2020

ATTENDANCE

MEMBERS OF THE COMMITTEE

D Andrews (Chairman), F Button, H K Crofton, K M Hastrick (Vice-Chairman), J S Kaye, R Mills (Vice-Chairman), T Howard, I M Reay, P M Zukowskyj

OTHER MEMBERS IN ATTENDANCE

N Bell, P Bibby, J Billing, S Bloxham, A P Brewster, E Buckmaster, L Chesterman, B Deering, T L F Douris, M A Eames-Petersen, D Gordon, J M Graham, L Greensmyth, J S Hale, D Hart, T C Heritage, D J Hewitt, F Hill, T W Hone, T R Hutchings, S K Jarvis, J S Kaye, P V Mason, G McAndrew, M B J Mills-Bishop, M D M Muir, N Quinton, R M Roberts, R Sangster, R H Smith, R G Tindall, M A Watkin, J A West, C B Woodward, W J Wyatt-Lowe.

PARENT GOVERNOR / CHURCH REPRESENTATIVES (VOTING)

*J Cameron, *N Punter, *J Sloan

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

Upon consideration of the agenda for the Overview & Scrutiny Committee meeting on Wednesday, 22 January 2020 and Thursday, 30 January 2020 as circulated, copy annexed, conclusions were reached and are recorded below.

A number of conflict of interests were declared in relation to the Scrutiny of the Integrated Plan 2020/21 – 2023/24 and are recorded at 2.1 below.

PART I ('OPEN') BUSINESS

1. MINUTES

The Minutes of the Overview & Scrutiny Committee meeting held on 10 December 2019 were confirmed as a correct record and signed by the Chairman.

2(A) SCRUTINY OF THE INTEGRATED PLAN 2020/21– 2023/24

[Officer contact: Natalie Rotherham, Head of Scrutiny Tel: 01992 558485]

2.1 I M Reay – as he is a County Council appointee on the Chiltern’s Conservation Board which receives a grant from the Council; as an appointee he receives an allowance from the Board. He is Chairman of SACRE which receives funding from the Council. He is also Governor of Chessbrook Management Committee.

M A Watkin – by virtue of his wife being employed as a part-time teacher in the music service in Hertfordshire. He had been granted a dispensation by the Standards Committee to participate, debate and vote in business in which this Disclosable Pecuniary Interest is mentioned provided that the business to be considered did not directly affect his financial position or that of his wife; which he considered it did not.

E H Buckmaster – as he is a Board Member of the Hailey Centre in Bell Street, Sawbridgeworth, which receives funding from the County Council towards its operational costs. His wife is Chairman of Bullfields, Sawbridgeworth Young Peoples Recreation Centre, which is booked by YC for sessions and she is a volunteer at Sawbridgeworth Library. His daughter works at Bishops Stortford Library.

T L F Douris – as he is a trustee of the Hertfordshire Community Foundation which contracts with the County Council for the delivery of training and also for the distribution of the Hertfordshire Community Funds scheme. His grand-daughter is employed by the County Council as a teaching Assistant at Belswains Primary School.

F R G Hill – as she is the Council’s representative on the Old Barn Day Centre which receives funding from the County Council. She is treasurer of the Royal British Legion Trust; a member of Royston and South Cambs Homestart; a member of Crouchfield Trust and Friends of Royston and District Healthcare.

C B Woodward – as he is Vice-Chairman of Aspect Learning Support Partnership.

N Bell – as he is a member of Chessbrook Management Committee in West Watford.

M D M Muir – as he is the County Council’s elected member on the Letchworth Civic Trust.

F Button – as she is the County Council’s nominated trustee on the

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Watford Workshop and for the Lee Valley Regional Authority.

- 2.2 The Chairman welcomed all Members and officers present to the Committee's scrutiny of the Integrated Plan proposals for 2020/21 – 2023/24.
- 2.3 Members received an introduction to the Integrated Plan (IP) scrutiny: a summary by the Head of Scrutiny reminding Members of the format for the Committee's scrutiny; and a presentation from the Director of Resources who provided the Committee with the context within which the integrated plan proposals had been prepared, which can be viewed using the following link:
- 2.4 The Director of Resources provided the Committee with a short presentation which outlined the contents of the IP pack and the pressures and increasing demands facing the organisation, which can be viewed using the following the link: [Integrated Plan 2020/21 - 2023/24 Presentation](#)
- 2.5 The Committee then adjourned to gather its evidence.
- 2.6 At the end of the evidence gathering process the session closed.

2(B) SCRUTINY OF THE INTEGRATED PLAN 2020/21-2023/24: REPORT TO CABINET – 30 JANUARY 2020

[Officer contact: Natalie Rotherham, Head of Scrutiny Tel: 01992 558485]

- 2.8 The Committee reconvened on Thursday, 30 January 2020 to consider a draft of its report to Cabinet, prepared by the Head of Scrutiny following the evidence gathering session on 22 January 2020.
- 2.9 In response to the Community Safety & Waste Management (CS&WM) recommendation at 2.11(iv), it was noted that this was included in the IP to demonstrate to the Police and Crime Commissioner the Council's full commitment to the development of the joint emergency services training centre; full details for the project were not available at present, however, this would be kept within budget.
- 2.10 With regard to the Resources & Performance (R&P) observation in relation to Transformation, the Executive Member for R & P considered that holding the 'strategic management board (SMB)' to account should be replaced with 'those responsible for delivery'. Comment was made that Resources & Performance Panel should hold SMB to account.
- 2.11 As a result of its discussions, a report and suggestions for Cabinet's consideration were agreed, copies of this report can be viewed at: [Overview & Scrutiny Committee - 30 January 2020](#)

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- 2.12 Included at Appendix 1 are Information Requests required to assist the debate at County Council on 25 February 2020 which have already been actioned. A list of possible scrutinies for inclusion in the Committee's work programme, identified during the evidence gathering process were noted, along with the responses to the prevention agenda, attached at Appendix 3, which will inform future scrutiny and engagement with the portfolios.
- 2.13 Members noted that Cabinet would consider the Committee's report and recommendations at its meeting on 24 February 2020; Cabinet's recommendations on the Integrated Plan proposals would then be presented to the County Council on 25 February 2020, when the Council would agree the Integrated Plan for the forthcoming period.

Conclusions

- 2.14 The Committee agreed the draft report to Cabinet subject to its comments and suggestions being revised as follows:

Committee Recommendations to Cabinet

That Cabinet gives consideration to the following:-

- i. That Adult Care Services (ACS) Connect reports to Adult Care & Health Cabinet Panel on progress of past efficiency programmes and current ACS (Adult Care Services) projects.
- ii. To give further consideration to replacing ACS transport vehicles with low emission vehicles consistent with the authority's recent climate emergency declaration.
- iii. The Children, Young People & Families (CYPF) Integrated Plan (IP) is based on the assumption that the planned transformation relating to SEND (special educational needs and disabilities) and placement of Children Looked After will be achieved within the IP budget proposals. In the light of recent financial pressures experienced by the portfolio there are budgetary risks should either strategy fail to deliver as planned. Cabinet should seek assurance that these risks are fully understood and mitigated.
- iv. The business case for the re-development of Joint Emergency Services Academy (Longfield) lacked essential detail. Before the revised capital bid for the re-development of Joint Emergency Services Academy is approved, it is imperative that further information is provided, particularly on the following topics:
 - a. Specification and requirements for the project
 - b. Breakdown of costings

- c. Details of capital contribution from Hertfordshire Constabulary
 - d. Income generation from any infrastructure proposals
- v. Cabinet to clarify whether the northern waste transfer station is essential in delivering an effective network by March 2024. If so, Cabinet to establish how additional costs be accounted for in the Community Safety & Waste Management (CSWM) Integrated Plan.
 - vi. That the relevant business case makes clearer how services transferred into alternative delivery models, including charitable trusts, are financially viable and provide the same equity of provision across Hertfordshire as when provided inhouse.
 - vii. When the Council's services are to be delivered by an external entity (e.g. private company, charity), the responsibilities for governance and the management of governance are understood by decision makers (cabinet members and officers) and training is provided if necessary.
 - viii. That Education can demonstrate it will manage expectations after the likely rise of 13% (2020/21) of the Dedicated Schools Grant (DSG) in relation to high level needs, and the likely return to 4% in 2021/22 without implications for the IP going forward
 - ix. To evaluate in more detail whether proposed spending on the Growth Agenda is enough to cope with the imminent demographic pressures faced by the county.
 - x. Modal shift is key in order to contain rising demographic pressures, however the cost implications of this are not fully explored in the IP. Evaluation therefore is required of the specific expenditure required to achieve this goal.
 - xi. To achieve Integrated Plan aspirations and savings in relation to the Council's Prevention agenda, recommendation to Cabinet that Prevention strategies should be more fully recognised in the development of council policies across directorates and the impact is clearly identified.
 - xii. To avoid additional costs, that Hertfordshire County Council collaborates with district and borough councils to ensure the authority's offers of employment remain attractive to recruit and retain an effective future workforce.
 - xiii. To ensure that future commercial proposals are subject to greater scrutiny so that those revenue forecasts in the Integrated Plan are more reasonable in the future, as some existing proposals have needed revision in the latest plan e.g. HBS (Herts Business

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Services) and Herts Living Ltd

- xiv. That Herts Full Stop makes better use of technology to remain competitive in an increasingly tough market.

Identified Risks - to be passed to the Risk Manager

- i. Failure of partners and contractors responsible for Children Looked After placements.
- ii. Increase in the number of Unaccompanied Asylum-Seeking Children on Children, Young People and Families' financial position.
- iii. The Community Interest Companies (CIC) established failing to provide the agreed quality of service to Hertfordshire residents requiring intervention by the authority.
- iv. Impact of additional pressures placed on schools when students leave struggling academies.
- v. Difficulty of retaining and recruiting planning staff such that the authority lacks the resources required to deliver the growth agenda.
- vi. Delivering sustainable transport if operators fail to recognise the business opportunities in Hertfordshire, particularly in urban areas.
- vii. Withdrawal of external funding for growth projects leading to delay and/or delivery to a lower standard.
- viii. Impact on the Prevention agenda if there is reduced investment in prevention activity.
- ix. Uncertainty around smaller funding grants e.g. Better Care Fund, the Social Care Support grant and Winter Pressure funding, which have only been confirmed for one year with no certainty beyond 2020/21.
- x. Clinical Commissioning Group currently contributes £4.2 million to the Adult Care Services budget but this is only funding only guaranteed for one more year.
- xi. Demographic pressures such as the increase in the number of children with complex needs or older people will continue. Council Tax and Adult Social Care Precept can only increase by 2%. This presents a challenge as to how Adult Care Services continues to meet these demographic pressures.

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xii. Risk of provider failure.

Portfolio Observations

The Committee also requested that Cabinet and Cabinet Panels note its comments / observations below:-

1. Adult Care & Health

- Councillors raised concerns on workforce and the welfare and support of carers
- Herts at Home created to take over provider failure. It has a Care Quality Commission (CQC) good rating. A company will work with Herts at Home and take over any other provider failure. Satisfied they would have ability to intervene if another care provider failure
- Discharge assessment question around infrastructure to ensure projects run quicker. Adult Care Services (ACS) Connect is a partnership to ensure all working together/aware of any delays etc.
- Voluntary sector. ACS proposing to set up joint commissioning with Primary Care Networks (PCNs) to provide finance to voluntary organisations to service social prescribing and recognised there are potential savings
- Housing – 19-month building programme HCC building but not staffing them. Will buy a proportion of their beds (75) to guarantee price of bed and this will generate income. There is a programme to close five homes as the need is for nursing rather than residential
- Demographic pressure due to more children with complex needs surviving into adulthood
- Equipment services – more efficient ways to deliver/clean equipment etc. has resulted in savings
- Transport – all ACS vehicles are diesel and it is still cost prohibitive to change them to electric.

2. Children, Young People & Families

- It was acknowledged that last year was a preparation year for Special Educational Needs and Disabilities (SEND) transformation and this coming year is when the actions and results will emerge
- The Executive Member and officers comprehensively answered concerns about parental issues about navigating online SEND

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services. This has significantly improved and with further development to continue into the autumn

- Members queried that with a national shortage of carers Adult and Children Services would be competing for the same individuals. Officers confidently explained that there is minimal overlap between the two and only a selected number of individuals choose to work with children
- The two main challenge areas for the next year are the placement strategy and SEND delivery.

3. **Community Protection & Waste Management**

- There is strong partnership working between Trading Standards and the Fire Service regarding the reporting of trading and fire issues when out on visits, which allows each group to have more eyes on the ground

4. **Highways & Environment**

- **Value for money:** the Directorate confirmed that in the provision of highways, membership with ADEPT¹ ensures cost efficiencies in current and future service provisions
- **Environmental net gain:** methods are being implemented to achieve this e.g. funding for the Tree Strategy, investigation towards carbon footprint and the impact different service dressing have on this; and Sustainable Herts through writing to partners to investigate how they are complying environmentally and reduce the environmental impact, looking into material usage and recycling and Asset Management correction e.g. prolonging the lifecycle of roads
- **LED lighting:** there was recognition of how well the scheme is doing e.g. Carbon emission reduced by 60% (12,000 tonnes)
- **Revenue expenditure:** there was concern regarding whether the level of revenue expenditure was enough for proposed infrastructure development schemes capital programmes such as LED lighting will support revenue expenditure
- **Confidence in the Growth Agenda:** despite an additional £38 million injected into highways, increased congestion and other pressures caused by the Growth Agenda were still a grave

¹ ADEPT is a sector voluntary organisation of the Association of Directors of Environment, Economy, Planning & Transport. They represent directors from county, unitary and combined authorities, respond to consultancies and queries and help to maximise sustainable growth solutions

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concern

5. Public Health & Prevention

- Regarding the ring-fence and efficiency savings, members heard that Public Health Prevention (PHP) is continuing to meet its objectives as well as achieving budget cuts. This has been achieved by switching treatments, restructuring services and identifying overlaps with other departments to ensure needs were met. While the situation around funding remains uncertain, it emphasises the need for a greater focus on prevention. At future IPs greater clarification should be provided around Public Health's medium and long-term budget when the ring-fenced budget is withdrawn. There is a need to focus discussion on future funding to deliver initiatives with the NHS, including the clinical commissioning groups (CCGs) and districts and boroughs
- Members would like to see clearer information on Public Health outcomes and how effectiveness is measured. As well as being able to understand how the county is performing, members are keen to understand the financials and savings to the NHS as a result of prevention work including comparisons of how the County Council is spending money vs the NHS
- The Health and Wellbeing Board has to be more vocal about the need for continuing and new investment into prevention and other services. Departments and external organisations need to understand responsibilities in county-wide partnerships so that multi-agency services are delivered effectively for residents.

6. Resources & Performance

- **Contract Management:** it was acknowledged that there is a degree of risk involved with contractor market volatility, especially in light of Carillion. The authority has split its current Serco contract into 10 lots as sub-contractors have proven most cost-effective. This includes some aspects that have been brought in-house such as financial transactions, as this has proven to be more cost effective. Members were happy with the tailored approach.
- **Capital Budget:** there was a query on the source of our capital programme funding. For instance, the majority of the grant funding for Brookfield Riverside scheme is through HIF (Herts Infrastructure Fund) funding. The bid is currently with the government and a response is expected in March. The majority of funding for the Energy Generation Project is coming from borrowing. Members were content as the project should produce an immediate revenue return.

- **Transformation:** To ensure projects are delivered on time and to budget, Resources will have greater corporate overview. To ensure the council becomes more efficient and reduce costs, Resources have established a PMO (Project Management Office). This will hold the strategic management board (SMB) to account and councillors were content with this proposal.

3. OTHER PART I BUSINESS

There was no other business

4. REPORT TO COUNTY COUNCIL

A summary of item 2 will be reported to the County Council at its meeting on 25 February 2020.

| Deborah Jeffery

**QUENTIN BAKER
CHIEF LEGAL OFFICER**

CHAIRMAN _____

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