

Minutes



To: All Members of the Resources and Performance Cabinet Panel, Chief Executive, Chief Officers, All officers named for 'actions'
From: Legal, Democratic & Statutory Services
Ask for: Stephanie Tarrant
Ext: 25481

RESOURCES AND PERFORMANCE CABINET PANEL 15 FEBRUARY 2019

ATTENDANCE

MEMBERS OF THE PANEL

E M Gordon (*substituted for J Billing*), F Button, H K Crofton, R C Deering (Vice-Chairman), T R Hutchings, J S Kaye (*substituted for E H Buckmaster*), A J S Mitchell, R Sangster (Chairman), R H Smith, S J Taylor A S B Walkington, T J Williams, P M Zukowskyj

Upon consideration of the agenda for the Resources and Performance Cabinet Panel meeting 15 February 2019 as circulated, copy annexed, conclusions were reached and are recorded below.

Note: A declaration of interest was made at item 7A and 7B of this meeting.

PART I ('OPEN') BUSINESS

	ACTION
1. MINUTES	
1.1 The minutes (Part I) of the Resources and Performance Cabinet Panel held on 14 December 2018 were agreed.	
2. PUBLIC PETITION	
2.1 There were no public petitions.	
3. INTEGRATED PLAN 2019/20 - 2022/23: RESOURCES AND PERFORMANCE [Officer Contact: Ben Jay, Acting Assistant Director Finance, Tel: 01992 556257]	
Prior to the report being discussed, the Chairman made the following announcement:	

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All Members who have a disclosable pecuniary interest arising from an allowance from the County Council, another local authority in Hertfordshire, or a body to whom they have been appointed by the County Council, have received a dispensation to allow them to participate in debate and vote on the Integrated Plan.

All Members have been granted a dispensation to participate in debate and vote in any business of the County Council relating to setting the council tax or precept when they would otherwise be prevented from doing so in consequence of having a beneficial interest in land which is within the administrative area of Hertfordshire or a licence (alone or jointly) to occupy such land

3.1 The Panel received the County Council's draft Integrated Plan (IP) for 2019/20 – 2022/23 and was invited to comment to Cabinet on its content and proposals, including the areas which related specifically to Resources and Performance portfolio. Prior to the meeting Members had received and considered the following documents: (i) a report containing the headline outcomes of public engagement and consultation in relation to the Plan; (ii) the Integrated Plan, including a report on those areas specifically related to Resources and Performance functions; (iii) comments from service Cabinet Panels, where those aspects of the Plan relating to individual services had been considered and discussed; (iv) comments from the Overview and Scrutiny Committee, following scrutiny of the Plan on 23 January 2019, where evidence was gathered, and on 31 January 2019 when it agreed its comments and suggestions for Cabinet's consideration.

(i) Public Engagement and Consultation

3.2 Members noted the Public Consultation Document, which outlined the results of the public engagement and consultation regarding the Council's budget and spending priorities for 2019/20 and beyond.

(ii) Integrated Plan 2019/20 – 2022/23

3.3 Members considered the reports published in relation to the Integrated Plan and officers provided a headline overview.

3.4 Members noted that paragraph 4.10 of item 3, which detailed the outcomes of the Overview and Scrutiny for the Resources and Performance portfolio, should have read the same as paragraph 3.12 of item 3 (iv) as detailed below:

Portfolios need to invest in workforce skills and expertise to ensure:

1. That the future savings required can be achieved through the necessary transformational work and

2. Strong governance of all the trading companies is in place

3.5 Members noted that confirmed final positions would be provided by update to Cabinet.

3.6 The Panel noted the key priorities for the Resources and Performance Portfolio as set out at 4.6 alongside additional important issues detailed at 4.8 of the report.

**(iii) INTEGRATED PLANNING PROCESS 2019/20 - 2022/23:
COMMENTS FROM SERVICE CABINET PANELS**

3.7 The Cabinet Panel considered a report which outlined comments from each of the service Cabinet Panels.

3.8 Opposition Members noted the following concerns with regards to the service Cabinet Panels comments and the Integrated Plan:

Adult Care and Health Portfolio:

- The vulnerability of care providers in Hertfordshire
- Recruitment, retention and pay of Adult Care Staff
- The impact that the historic withdrawal of supporting people funding and associated activity was continuing to have on districts/boroughs in Hertfordshire.

Growth, Infrastructure, Planning and the Economy Portfolio:

- The apparent inconsistency of the aims of policies against budget proposals e.g. LTP4 supporting modal shift versus and an increased cost in the SaverCard.

Public Health and Prevention Portfolio:

- The reduction in budget and the effect this would have on intervention services although it was also noted that the budget reduction was a reflection of the reduced funding for public health to be received from government.

Highways and Environment Portfolio:

- The IP did not expand the use of Highways Locality Budget to manage localised issues e.g. street lighting at night.

Children, Young People and Families Portfolio:

- The IP did not exempt Care Leavers from Council Tax payments as had been previously raised.
- More investment into Child and Adolescent Mental Health Services (CAMHS) would be beneficial.

Community Safety and Waste Management Portfolio:

- The closure of Household Waste Recycling Centres and the increase in fly tipping.

- The consideration of recruiting stay-at-home parents as on call staff for the fire service.

3.9 Officers advised that the Executive Member for Community Safety and Waste Management provided a response around fire service recruitment and that this could be provided to Members for clarity. It was noted that stay-at-home parents was only one area being considered to diversify recruits.

Terry Hone

(iv) SCRUTINY OF THE INTEGRATED PLAN PROPOSALS 2019/20 – 2022/23

3.10 The Panel acknowledged a report from the Overview and Scrutiny Committee which detailed the evidence gathered by the eight portfolio groups with recommendations to Cabinet on the draft Integrated Plan.

3.11 Members commented on the concern listed for older people in the Adult Care and Health Portfolio observation. Officers advised that a written response would confirm if the concern was regarding the proportion of self-funders or whether the concern was that this figure may fluctuate.

Helen Maneuf

3.12 Members commented on the Resources and Performance portfolio observation and advised that Members were not concerned about the growing number of incorporated entities but that Members were interested in these and ensuring that the correct robust governance arrangements were in place.

3.13 Members noted that the IP recommendation for Highways detailed at 3.9 of 3(iv), did not fully cover the discussion which had taken place at the scrutiny. Members felt that a change of policy to allow for local flexibility in suitable locations should be considered.

Conclusion

3.14 The Panel commented to Cabinet on the proposals relating to the Integrated Plan in respect of Resources and Performance.

The Panel is also asked to identify any issues that it feels that the Cabinet should consider in finalising the Integrated Plan proposals.

3.15 It was noted that the Liberal Democrat Group and the Labour Group abstained from voting on the recommendation.

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4. FINANCE BUDGET MONITOR - QUARTER 3
[Officer Contact: Ben Jay, Interim Assistant Director – Finance
Tel: 01992 555723]

4.1 Members received a report which summarised the 2018/19 position against revenue and capital budgets and highlighted key areas of risk for consideration of actions to be taken. A summary is set out below; the full report can be viewed here: [Budget Monitor - Quarter 3](#).

4.2 Members acknowledged table 1 on page 5 of the report which summarised the revenue position as of 31 December 2018. It was noted that whilst the position had slightly deteriorated with a projected overspend of £1.461m, there had been a slight improvement since November 2018. Panel noted that the overspend would have been a lot more serious if there had not been the one off central incomes this year. The ongoing pressures within Adult Care Services and Children’s services were noted.

4.3 In response to a Member question regarding what representation the County Council has made to Central Government around Hertfordshire’s financial position, officers advised that consultation was underway on government funding and that officers were preparing a response which set out the challenges Hertfordshire was facing. It was also noted that there was a big deal of uncertainty around business rates from 2020. Members noted that a cross-party approach was required and discussed whether a joint letter could be sent to Central Government regarding being underfunded.

Ralph Sangster

4.4 Members commented on the use of the contingency and officers advised that the use of contingency was determined at the end of the year and would be detailed in the Quarter 4 report.

Conclusion

4.5 The Resources and Performance Cabinet Panel recommended to Cabinet that it noted the updates in the Q3 Budget Monitor.

5. LOCAL GOVERNMENT ASSOCIATION CORPORATE PEER CHALLENGE REPORT

[Officer Contact: David Butcher, Head of Improvement, 01992 556733]

5.1 The Panel reviewed a report which presented the formal feedback letter following the Local Government Association (LGA) Corporate Peer Challenge of Hertfordshire. Officers noted that a number of the recommendations made in the feedback were already being taken forward and that an update report would be brought to a future meeting.

Steven Pilsworth

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- 5.2 Members noted that the setup of Panels was not favoured and queried how opposition Members would be involved with the decision making progress if there were to be any changes going forward. Officers advised that this recommendation had not yet been reviewed but noted that the feedback was surrounding enhancing and speeding up the decision making progress based on feedback from officers and to avoid any duplication of work. Officers advised that consultation would take place with opposition Members as part of any review of the current system. Members all agreed on the value Backbenchers and opposition Members placed on the Cabinet Panel structure.
- 5.3 The County Council was commended for being extremely open and accessible, however discussion took place around whether portfolios could be better aligned e.g. where performance should be reported.
- 5.4 The Panel noted that the review was very complimentary and commended the County Councils financial position. Members noted that the County Council had been very good at looking ahead and started transformation back in 2009.
- 5.5 Members commented that whilst there had been significant growth and infrastructure progress made over the last 12 months, figures from the LEP showed that Hertfordshire had slipped back economically and noted that Hertfordshire had to continue to make progress to ensure that it did not lose its place in the UK's economic growth table. It was noted that the Leader of the Council was reviewing growth as a top priority and working alongside the districts and boroughs on the Growth Board to ensure a more united approach.
- 5.6 Members recognised and commended the staff contribution and leadership of the County Council in achieving robust and consistent quality of services and good outcomes for Hertfordshire residents.

Conclusions

- 5.7 As detailed above, the Resources and Performance Cabinet Panel noted and provided comment to Cabinet on:
- The findings of the LGA Corporate Peer Challenge (Appendix A)
 - The recommendations from the Corporate Peer Challenge (section 6)
 - The proposed next steps (section 7).

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6. CAPITAL SPENDING – BRANDING AND SIGNAGE POLICY

[Officer Contact: Andrew Hadfield, Head of Communications
Tel: 01992 556446]

- 6.1 The Cabinet Panel considered a report which presented a new corporate policy for promoting the County Council’s investment in capital projects and schemes through prominent signage.
- 6.2 Members welcomed the report and noted that it was important for residents to be able to see the extent of projects across the county for which the County Council was providing funding for.
- 6.3 Members discussed the visual aspect of the signage and requested that officers fully considered the implications for those with visual disabilities if the preferred option was for the green signage. Members commented on the black signage and some noted their preference.
- 6.4 The Panel welcomed the principle at 6.1e of the report and were pleased to note that specific clauses would be inserted into contractual agreements prior to projects commencing.
- 6.5 In response to a Member question regarding the small cost for creating the initial design templates, officers confirmed that there was an estimated spend of around £500 for design works.
- 6.6 Members discussed temporary road signs being left displayed when no longer relevant and officers agreed that an additional requirement could be added to the policy which noted that any temporary road signs should be removed within a suitable timescale.

Conclusions

- 6.7 The Resources and Performance Cabinet Panel recommended to Cabinet that it approves the new policy as set out in the report and the additional requirement in the policy for any temporary road signs to be removed within a suitable timeframe.

7A. TO SUPPORT HERTFORDSHIRE LEP IN BECOMING AN INDEPENDENT INCORPORATION IN LINE WITH HM GOVERNMENT POLICY

[Officer contact: Ben Jay, Acting Assistant Director – Finance,
01992 556257]

- 7A.1 As an LEP Board Member, S J Taylor declared an interest in this item and left the room for the duration of Item 7A and 7B.
- 7A.2 Members received a report which advised members of the progress that Hertfordshire LEP had made towards incorporation

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and the proposal that the County Council act as the Accountable Body for the Hertfordshire LEP.

- 7A.3 Officers advised that the report set out the changes to the governance policy relating to the desired format of the LEP and how the County Council would fulfil its ongoing role as the accountable body. The recommendations in 7a were in line with the recommendations from Central Government.
- 7A.4 The Panel noted that there was ongoing discussion around the VAT status of the LEP once incorporated and clarity was being sought from HRMC.
- 7A.5 Members commented on 4.3.1 and 4.3.2 of the report and discussed the impact of the Section 151 Officer's power of veto being replaced with a duty to escalate concerns about financial mis-management, following incorporation. Officers advised that following incorporation the Section 151 Officer would still retain ultimate control of releasing funds and could hold funds whilst any concerns were being raised.
- 7A.6 Members discussed the make-up of the LEP as detailed at 4.15 of the report and noted the importance of the LEP retaining a strong private sector presence.

Conclusions

- 7A.7 The Resources & Performance Cabinet Panel recommended to Cabinet:

“That Cabinet:

- (i) Notes the decision of the Hertfordshire LEP to become a company limited by guarantee incorporated no later than 1 April 2019;
- (ii) In principle, subject to (iii) below, approves that the Council:
 - (a) will become a Member of the Incorporated LEP Company;
 - (b) will act as the Accountable Body for the LEP after incorporation;
- (iii) Authorises the (Interim) Director of Resources, in consultation with the Executive Member for Resources and Performance, to take such further decisions as required arising as a consequence of, and to ensure compliance with, Government guidance on LEP

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incorporation, and to agree such documents and arrangements and to take such actions as are appropriate to ensure the smooth transition of those arrangements to the Incorporated LEP.

7B. TO SUPPORT HERTFORDSHIRE LEP IN BECOMING AN INDEPENDENT INCORPORATION IN LINE WITH HM GOVERNMENT POLICY

[Officer contact: Ben Jay, Acting Assistant Director – Finance, 01992 556257]

- 7B.1 As an LEP Board Member, S J Taylor declared an interest in this item and left the room for the duration of Item 7A and 7B.
- 7B.2 The Panel received a report which advised of the progress that Hertfordshire LEP had made towards incorporation and the proposal that David Williams (as Leader of the Council) is nominated to act as the Council’s Director.
- 7B.4 Members noted that whilst item 7A recommended that the County Council should continue to be represented on the LEP Board, item 7B set out the recommendation for David Williams (Acting as Leader of the Council) to be appointed as he Council’s Director.
- 7B.4 Members queried whether the nomination should be recorded to the position of ‘Leader of the Council’ opposed to a named individual. Officers advised that legal advice had been taken and the wording of the recommendation was suitable. It was also noted that it may not always be the ‘Leader of the Council’ that would be nominated to be the Councils Director and that another Member may represent the Council on the LEP Board in the future.
- 7B.5 The Panel discussed the process of changing the County Councils nominated director. Officers advised that they would clarify with Legal how a change in nomination would be dealt with in practice and feedback to the Panel.
- 7B.6 In response to a Member question around whether the County Councils nominated Director should be covered by LEP insurance as an LEP employee, officers advised that they would provide clarity following legal advice.
- 7B.7 The Resources & Performance Cabinet Panel recommended to Cabinet, subject to confirmation around timescales for nominated appointments:

Ben Jay

Ben Jay

“That Cabinet:

- (i) nominates David Williams (acting as Leader of the Council) to be the Council’s Director subject to the terms

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of the Company's Articles.

- (ii) Agrees to provide an indemnity, or equivalent insurance,¹ for the Council's Nominated Director to the extent that the Incorporated Company's indemnity insurance does not provide sufficient cover, and delegates to the Chief Legal Officer the power to finalise and issue this indemnity."

8. HERTS FULLSTOP – COLLABORATION

[Officer Contact: Steven Pilsworth, Interim Director of Resources, Tel:01992 555737 / Glenn Facey, Head of Hertfordshire Business Services, Tel: 01707 292364]

- 8.1 Members received a report which provided an overview to the business of Herts Full Stop. The Part I report was to be read in conjunction with the accompanying Part II report which set out a proposed collaboration for Herts Full Stop.

**PART II ('CLOSED') AGENDA
EXCLUSION OF PRESS AND PUBLIC**

- 8.2 The Panel agreed to move into Part II ('closed' session').
- 8.3 That under Section 100(A)(4) of the Local Government Act 1972, the press and 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 3 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.
- 8.4 Following discussion on the Part II Report and recommendations, the Panel moved back into Part I (open session) to note the Part I recommendation.

Conclusions

- 8.5 The Resources and Performance Cabinet Panel recommended to Cabinet the recommendations as set out in the accompanying Part II Report.

9. OTHER URGENT PART I BUSINESS

- 9.1 There was no other urgent Part I Business.

**KATHRYN PETTITT
CHIEF LEGAL OFFICER**

CHAIRMAN _____

¹ pursuant to the Local Authorities (Indemnities for Members and Officers) Order 2004

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