

DURHAM COUNTY COUNCIL

OVERVIEW AND SCRUTINY COMMITTEE

At a Meeting of the **Overview and Scrutiny Committee** held at the County Hall, Durham on **Monday 12 November, 2007** at **10.00 a.m.**

Present:-

Councillor J Armstrong in the Chair

Members:

Councillors Barker, C Carr, R Carr, Chaplow, Chapman, Davies, Douthwaite, Forster, E Foster, N C Foster, Gray, Henderson, Holroyd, Knox, Manton, Martin, Marshall, Morgan, Ord, Priestley, Pye, Robinson, Shuttleworth, Simmons, Southwell, Stradling, Wade, Walker and Williams.

Other Members:

Councillor Lethbridge

Co-opted Members:

Rev A Letby and K Ibbotson

Apologies for absence were received from Councillors Bell, Bowman, Tennant and Young

Councillor Armstrong, Chairman of the Overview and Scrutiny informed Members of a number of E-Democracy courses which were to take place in the near future and suggested that members should make arrangements to attend.

A1 Minutes

The Minutes of the meetings held on the 16 July and 16 October, 2007 were confirmed as a correct record and signed by the Chairman.

A2 Declarations of Interest

Councillors Armstrong and Ebbatson declared a personal interest in relation to Agenda Item A2 as Board Members of the CVS.

A3 **Budget Consultation - 'Your Council Your Say'**

The Committee was informed that the initial suggestions for the budget are based on a Council Tax increases of 3.9%, which have been used as a planning guideline in the Medium Term Financial Plan (a 1% increase in Council Tax generates £1.5m) (for copy of document see file of Minutes).

In relation to the Comprehensive Spending Review from Government, this shows the worst allocation of funding to local government for 10 years. The Authority is working on an assumption that Government funding for Durham County Council will increase by 2.5% in 2008/09 around £3.5m.

In relation to the impact of inflation and other assumptions, during the course of next year, the Council's budget will have to cope with price inflation 2%, salary cost inflation 2.5% and pensions contributions increase 4.8%, in addition it is expected that the 'Dedicated Schools Grant' i.e. the money which the Government gives the authority to spend exclusively on schools and pupils, to increase by between 3% and 4%.

With reference to where the Authority needs to invest Members were informed that there is a need to invest and spend more to improve Key Services, meet the legal obligations and to realise the ambitions and aspirations for County Durham. When developing suggestions for investment or spend the Authority has taken into account, legal responsibilities, growth and changing patterns of demand from the most vulnerable people we need to support and help, the overall priorities for improving and investing in services, the Authority is looking to invest or spend £6,916 million more on services next year.

In addition to the options developed so far it is likely that there is a need to spend more and invest in, equal pay and job evaluation, redundancies and waste. It was highlighted that the Authority may be uncertain about what the above areas might cost when the final decision about the budget is made however nevertheless provision will be made on the basis of the latest information.

With reference to savings options, it was emphasised that Overview and Scrutiny had played a vital role in the process by questioning Chief Officers in relation to proposed savings.

In addition Members were reminded of the one off investment proposals made by Overview and Scrutiny in the light of the anticipated underspend in the current year's budget.

The County Treasurer then explained the various spending and investment options within the services together with options for savings, efficiency gains, income and service reductions.

It was emphasised that Section 5 of the document contained a series of questions in order to ascertain the public's views of service provision within the County.

Members of the Committee were informed that in relation to additional funds for use in footways maintenance (£500,000) work is currently taking place in relation to identifying those footpaths which need work to be undertaken on a priority basis.

Councillor Shuttleworth commented that in relation to winter maintenance costs he felt that the costs of Service Direct should be significantly lower.

Councillor J B Walker commented that there is a need for the document to highlight that the 3.9% rise in Council Tax only relates to services provided by the County Council and that additional increases will be required by the Police and Fire Service (they levy their own increases in the rate of Council Tax).

Councillor Southwell requested clarification as to whether 'what lessons had been learned from the previous consultation process'.

Members were informed that comments made last year had been taken into account with additional consultation taking place this year with children and young people, the voluntary and community sector and the County's business sector. In addition a new 'Citizens Panel' had been appointed.

With reference to the document, Councillor Martin commented that there is a need to highlight that the financial markets are in turmoil at the moment and that there is a danger that high increases in the cost of oil will impact on the level of Council Tax.

The Committee was informed that funds had been put away for the previous two years for the increased cost of oil however the cost had fallen with this year being no exception and falling quicker than anticipated however it was acknowledged that by Christmas there may be a need to look at this situation again, it was confirmed that the situation would be kept under review.

Councillor Ebbatson commented that in relation to the COMPACT, the consultation document produced last year had identified cuts in funding affecting the voluntary services which had not been previously discussed with them, he highlighted that if such cuts in funding were planned for 2008/09 then discussions should take place at the earliest opportunity.

Councillor C Carr requested clarification that small businesses will be consulted as part of the consultation process.

It was confirmed that the business community is consulted via the NNDR meeting however additional work is currently taking place with the County Durham Development Company with a focus group established from the business community.

Feisal Jassat, Head of Overview and Scrutiny requested that Members forward to him any additional comments in relation to the document.

Resolved:

- That the 'Your Council... Your Say' document be noted.
- That any additional comments from Members in relation to the document be forwarded to the Head of Overview and Scrutiny for incorporation into the response from the Committee to the consultation document.

A4 Local Government Review - Update on Transitional Arrangements

The Committee considered a verbal update in relation to Local Government Review and the transitional arrangements from Roger Goodes, Head of Efficiency, together with the draft programme for the creation of the Unitary Council for County Durham (for copy of draft programme see file of Minutes).

In relation to the programme Governance the Committee was informed that the G8 Team (which consists of all eight Chief Executives in the County) had met on a number of occasions with the programme for the creation of the Unitary Council managed through a Implementation Executive which consists of (District Members, County Members and a Joint Implementation Team (JIT) that will be made up of Senior Managers from the County and District Councils).

In relation to the day to day management of the programme this will be the responsibility of the Programme Director who will be supported by a Programme Manager and a small Programme Office. It was confirmed that the Programme Director had been appointed.

With reference to the projects which will create the new Council these will be managed within a number of workstreams each headed up by a workstream head.

For each workstream a business case and Project Initiation Document will be required together with a project plan, the programme office will monitor progress against these documents which will be agreed by the JIT.

In relation to Member involvement in the process it was highlighted that the programme will be dependent on direction, advice and guidance from Members both strategically through the Implementation Executive and through specific workstreams and projects. With reference to the Implementation Executive this will provide regular communication on progress and challenges to Members.

The programme will also through the stakeholder/communications workstream hold regular seminars and workshops to allow Members to engage in the process and to contribute to the development of the new Council.

With reference to the role of Overview and Scrutiny in the context of the programme outputs needs to be developed, although Overview and Scrutiny will be a key stakeholder in work to create a new model for Overview and Scrutiny as outlined in the White Paper. In addition a joint Overview and Scrutiny arrangement will be established to oversee the Implementation Executive when in place.

It was emphasised that a further set of orders are anticipated within the next week specific to Durham.

Councillor Armstrong questioned as to whether the G8 Team group had a Terms of Reference.

It was confirmed that the Team/Group had agreed the Terms of Reference.

Councillor Martin commented that in relation to the Joint Scrutiny arrangements for the Implementation Executive there is a need for a Working Group to be established within the Authority which includes minority representation, he continued that he personally felt excluded from the Joint Scrutiny arrangement process.

Feisal Jassat, Head of Overview and Scrutiny commented that the existing Overview and Scrutiny arrangements will continue within the Authority which involves all Non-Executive Members of the Authority and in addition there will be the establishment of the joint network arrangements.

He continued that the Joint Overview and Scrutiny arrangements currently involve representatives from all eight Local Authorities together with the Chairman and Vice-Chairman of Overview and Scrutiny.

Councillor Barker continued by highlighting the need for a formalised communication strategy.

Councillor Southwell commented that any release of information to staff should only happen following Members' agreement.

Roger Goodes, Head of Efficiency confirmed that he will take on board the comments made and ensure that Members receive copies of all information which is released.

Councillor Walker highlighted how important good communication is in such a process, the need to communicate with staff, stakeholders and Members, any approach needs to be consistent.

Resolved:

That the update be noted and any issues raised by Members in relation to the Programme and process be taken into account.

A5 Equality and Diversity - Links to Overview and Scrutiny

The Committee considered a presentation by Kay Winter, Equalities and Diversity Manager in relation to the Overview of Equality and Diversity in Durham County Council (for copy of slides of presentation see file of Minutes).

The presentation highlighted the following in relation to Equality and Diversity:

- Durham County Council Mission and Values
- The Equalities Agenda - Legislation
- Positive Duty - Race
 - Race Relations (Amendment) Act 2000
- Positive Duty - Disability
 - Disability Discrimination Act 2005
- Positive Duty - Gender
 - Equality Act 2006
- Positive Duties in Practice
- EQUALITY ACT 2006
 - Equality Act 2006
 - Employment Regulations
- IT'S NOT JUST LEGISLATION
 - The Equality Standard
 - What have we done?

- WHAT DIFFERENCE HAS IT MADE?
 - Access to Information and Consultation
 - Disability
 - Gypsy and Traveller Communities
 - Staff Awareness and Training
 - Strengths
 - Areas of Improvement
 - Equal to the task CfPS Guidance 2007

The Committee was informed that in relation to Areas of Improvement there is a need for both Internal and External Scrutiny, capacity building to support consultation and engagement with specific groups, increasing monitoring information on service delivery and employment profiles, community leadership role and supporting partnerships to meet equality duties, procurement encourage contractors to meet equality duties and objectives and target setting ongoing.

In addition Members were informed that 'Equal to the Task the Centre for Public Scrutiny Guidance 2007' suggest the following:-

- Looking to 'embed' equality and diversity
- Increase equality and diversity coverage and accountability
- Support impact assessments
- Looking for the 'So What?'
- Requires broader understanding and context
 - More than the 3 equality duties
 - Community cohesion
 - Community leadership role is key

Councillor Coates commented that approximately 15 to 20 Members had not undergone the Equality and Diversity training to date. Feisal Jassat, Head of Overview and Scrutiny commented that the role of Overview and Scrutiny in relation to Equality and Diversity is to ensure that where possible this aspect is covered/considered in all Scrutiny projects.

Councillor Strading highlighted the need for any Members training to be flexible to fit in with Members commitments.

Resolved:

That the presentation be noted.

A6 Information Report Local Government and Public Involvement in Health Act 2007

The Committee considered a presentation by the Head of Overview and Scrutiny concerning the Local Government and Public Involvement in Health Act 2007 (for copy of slides of presentation see file of Minutes).

Members were informed that the new Act provides opportunities for local action, the Act opens the door to implementing Councils' proposals for Unitary status and is an opportunity to create a new flagship authorities, empowering citizens and communities and modernising local service delivery.

In relation to new measures these relate to:

- local petition powers
- improving representation
- greater local action to tackle worklessness
- and a concordat enshrining a more mature relationship between central and local government by the end of this year

The presentation highlighted the following:

- **Local Government Minister John Healey** welcomed the new Act and declared today as D-day for devolution confirming that new opportunities for local action will be in place within six months, but adding that this was just the beginning. (30 October 2007)
- The Act opens the door to implementing councils' proposals for unitary status and is an opportunity to create new flagship authorities, which leads the way in meeting today's challenges of promoting prosperity, empowering citizens and communities and modernising local service delivery.

New measures on :-

- local petition powers
- improving representation
- greater local action to tackle worklessness
- and a concordat enshrining a more mature relationship between central and local government by the end of this year.

Framework for new devolutionary measures

- Local Involvement Networks established (LINKs) looking at health and social care matters
- Overview and scrutiny committees will have new powers to review and scrutinise the actions of key local public service providers, including the Environment Agency, Learning and Skills Council etc.

- Local Area Agreements will have a statutory basis and there will be a formal framework for co-operation with local partners
- There will be a new unringfenced area based grant to provide local authorities and their partners with greater flexibility in the use of funding from central government
- Principal local authorities will have devolved powers to undertake community governance reviews, and the possibility, as elsewhere in England, to set up parish councils in London
- Councillors will be able to raise issues of local concern with Overview and Scrutiny committees as part of expanding Councillor Calls for Action to cover all local government services
- Councils will be able to make certain byelaws and enforce them with fixed penalty notices without agreement from central Government.
- A Green light for Joint Waste Authorities involving consultation with people in affected areas
- New duties to inform, involve and consult applicable to all *Best Value* authorities, and the need to identify “representatives.”
- Comprehensive Area Assessments that will include monitoring compliance with the new duty
- Replacement of Public Patient Forums with new **Local Involvement Networks (LINKs)** able to refer matters to Overview & Scrutiny committees - and covering social care as well as health
- Stronger **duties to consult** placed on Strategic Health Authorities, NHS Trusts and Foundation Trusts. All “significant” proposals and decisions now covered.

From April 2009:

- Proposals by councils to move to unitary status improving services and value for money in those areas will be implemented (subject to formal decisions at the end of this year)
- Local authorities will have a new duty to involve local people in local services and policies.

The Act builds on the Local Government White Paper to empower councils and communities including:

- Slashing Whitehall controls on local councils so that they can focus on local priorities agreed with their community
- Abolishing mandatory Whitehall targets (except statutory children's targets) in new Local Area Agreements
- Piloting participatory budgeting in ten areas where local people get to discuss and vote on how public money should benefit their communities
- Creating a network of 18 local authorities acting as empowerment champions to spearhead a reinvigoration of local democracy
- Establishing 20 community ownership pilot areas to hand over ownership of run down schools, libraries and pubs to community groups to provide vital local services
- The sub-national review of economic development and regeneration which paves the way for greater local action on jobs and growth, simplified single regional strategies on jobs, investment, housing and planning, and the establishment of sub-regional authorities.
- Detail on the ACT to follow.

In relation to the framework for new devolutionary measures the Committee was informed that 'LINKS' (Local Involvement Networks) will be developed looking at Health and Social Care matters, Overview and Scrutiny Committees will have new powers to review and scrutinise the actions of key local public service providers, including the Environment Agency, Learning and Skills Council, Local Area Agreements will have a statutory basis with a formal framework for co-operation with local partners, there will be a new unringfenced area based grant to provide local authorities and their partners with greater flexibility in the use of funding from Central Government, Councillors will be able to raise issues of local concern with Overview and Scrutiny Committees as part of expanding Councillor calls for Action to cover all Local Government services.

It was highlighted that a Member will have 'several strands' to pursue a complaint (petition, existing complaints procedure and Councillors calls for actions).

In relation to the use of the petition process Councillor Robinson commented that Parish Councils already have local petition powers with ten Members of the Parish having the power to call for a referendum, this had resulted in numerous petitions resulting in huge costs for the Parish authorities.

Feisal Jassat, Head of Overview and Scrutiny confirmed that mechanisms will be in place to prevent the possibility of a similar situation arising with a minimum of 200 signatories required, this is still in the consultation process.

Members highlighted the need for support for frontline Councillors with training required.

Resolved:

That the presentation be noted.

A7 County Durham Overview and Scrutiny Members Network - Update

The Committee was informed by the Head of Overview and Scrutiny that as part of the Local Government Review process a joint Overview and Scrutiny arrangement will be established to oversee the work of the Implementation Executive which will provide the high level strategic direction for the implementation of the new Unitary Council, working towards the delivery of the longer term outcomes set by the White Paper.

Resolved:

That the update be noted.