

DURHAM COUNTY COUNCIL

OVERVIEW AND SCRUTINY MANAGEMENT BOARD

At a Meeting of **Overview and Scrutiny Management Board** held in Committee Room 2, County Hall, Durham on **Friday 18 September 2015 at 9.30 am**

Present:

Councillor J Armstrong in the Chair

Members of the Committee:

Councillors P Stradling, E Adam, A Batey, R Bell, H Bennett, D Boyes, B Graham, K Henig, J Hillary, A Hopgood, P Lawton, J Lethbridge, T Nearney, M Nicholls, C Potts, M Simmons and J Turnbull.

1. Apologies for Absence

Apologies for absence were received from Councillors K Corrigan, R Crute, L Pounder, J Robinson and A Shield.

2. Substitute Members

There were no substitute members.

3. Minutes

The minutes of the meeting held on the 16 June 2015 were confirmed as a correct record and signed by the Chairman.

The Head of Planning and Performance referred to item 5 of the minutes of the meeting held on the 16 June 2015 and advised that figures of staff that had left the Authority had been provided to Councillor Hillary.

Referring to information requested on the number of adults aged 65 and over being admitted into nursing care, the Head of Planning and Performance advised that a breakdown had been provided to Councillor Hopgood.

4. Declarations of interest

There were no declarations of interest.

5. Update on the Delivery of the Medium Term Financial Plan 5

The Board considered a report of the Assistant Chief Executive that provided an update on the progress made at the end of June 2015 on the delivery of the 2015/16 Medium Term Financial Plan (MTFP5) (for copy see file of minutes).

The Head of Planning and Performance reported that the MTFP5 was agreed by Council in February 2015 and for 2015/16 the savings target was just over £16m. This forms part of the overall savings target for the period from 2011/12 to 2019/20 of around £260m.

By the end of June 2015 over 65% of the savings target for MTFP5 had been met with £10.6m of savings having been achieved which amounts to the total savings delivered since April 2011 to over £147m.

Councillor Hopgood referred to discussions as part of the County Council's budget proposals in February 2015 to reduce member's car mileage and asked if the proposed savings incorporated the reduction in members or just employee car mileage. The Chairman advised that after discussions with Trade Unions, the mileage rate paid to members would reduce to 45p per mile at the same time as the reduction is applied to employees.

Councillor Adam commented that 71% of the staff leaving through voluntary redundancy were female and asked whether this was reflective of the make-up of the workforce. Councillor Boyes suggested that the percentage of females in back office roles should be explored as the majority were predominantly female. The Head of Planning and Performance advised that the figures were monitored and the results were in line with the overall workforce profile. The Chairman requested that HR compile the workforce information and report back to the Board. Councillor Hillary requested that future reports include the overall headcount of the Council as context.

Members requested a breakdown of figures on the number of posts lost from budget reductions and the number related to previous Local Government Reorganisation in order to differentiate. The Head of Corporate Finance clarified that the figures in the report related only to budget reductions.

Resolved:

That the information contained in the report and the progress made in delivering the MTFP5 be noted.

6. Medium Term Financial Plan (6), Council Plan, Service Plans 2016/17- 2018/19 and Review of the Local Council Tax Reduction Scheme 2016/17 plus an Update to the Discretionary Rate Relief Policy 2015/16

The Board considered a joint report of the Corporate Director, Resources and the Assistant Chief Executive which provided details on the development of the 2016/17 budget, Medium Term Financial Plan (MTFP 6) and Council Plan / Service Plans 2016/17 to 2018/19. The report also provided details of a review of the Local Council Tax

Reduction Scheme and an update on the Discretionary Rate Relief Policy (for copy see file of minutes).

The Head of Corporate Finance reported that the financial outlook for the Council continues to be extremely challenging. The final Coalition Government Budget in March 2015 identified the need for significant reductions in the spending of “unprotected” government departments over the 2016/17 to 2018/19 period. At that point, the forecasted impact on the Council’s medium term financial plan was an additional funding reduction of £75m over the three year period with a £33m reduction in 2016/17.

Initial analysis of the Government’s 8 July 2015 budget however indicated that the pace of funding reductions for “unprotected” government departments would be eased with funding reductions to be delivered over the four year period 2016/17 to 2019/20 rather than the three years previously planned. The scale of the challenge faced by the Council remains undiminished however with total funding reductions across the four year period forecast to be £78m and with the Council also facing increased budget pressures with the introduction of a National Living Wage.

The emphasis since 2011/12 had been to minimise savings from front line services by protecting them wherever possible, whilst maximising savings in management and support functions. This is becoming much more difficult however, as the scope for further savings in managerial and back office efficiencies was becoming exhausted. In the coming months the Council would need to review all services to determine where savings could be best achieved with minimal impact upon the public.

The Head of Planning and Performance added that as in previous years, development of the Council Plan would be carried out parallel to the MTFP and advised members of the budget setting timetable and proposed consultation programme.

Councillor Hopgood highlighted that the Durham Living Wage was reported as £7.20 per hour and queried which figures had been used in the calculations as £7.43 had been agreed at County Council. The Head of Corporate Finance clarified that there was a typing error in the report and confirmed that the correct figures had been used to calculate the shortfall.

In response to Councillor R Bell’s comments on the financial impact of the national living wage to the council and its effect on individuals benefits, the Head of Planning and Performance advised that she would feed concerns back to the Assistant Chief Executive who chairs a working group that looks at poverty issues and the effects of the changing benefits scheme.

Councillor R Bell referred to the funding reduction forecast after the March and July budgets and asked how the council would respond in its planning. The Head of Corporate Finance responded that the government would like most local authorities to be self-sufficient with services funded from Business Rates and Council tax. He explained that to become self-sufficient the council would have to find £100m to replace government revenue support. Officers and members plan for savings years in advance and although the requirement for savings in 2016/17 was lower than previously forecast, members would still have to decide what, when, where or if to use reserves.

Councillor Nearney referred to the Durham Ask and queried if there was a strategy in place for identifying sites. The Head of Corporate Finance responded that there had been at least 35 expressions of interest across a wide range of areas. Members felt example case studies would encourage additional interest from local communities, and requested that information available on the scheme on the website be circulated.

Resolved:

- (i) That the contents of the report be considered and refer the detailed scrutiny of the MTFP to the Corporate Issues Overview and Scrutiny Committee, as per the terms of reference of that committee;
- (ii) That the revised timescale for the Spending Review, which is now expected on 25th November, and the impact of this on the next MTFP Cabinet report, timetabled for November, but now expected in December be noted;
- (iii) That the planned December scrutiny session be combined with the CIOSC meeting on 26th January, which will incorporate both the December and January Cabinet reports be agreed.

7. Quarter One 2015/16 Performance Management

The Board considered a report of the Assistant Chief Executive which presented progress against the council's corporate basket of performance indicators (PIs), Council Plan and service plan actions and reported other significant performance issues for the first quarter of 2015/16 financial year, covering the period April to June 2015. A presentation was given by the Head of Planning and Performance (for copy of report and slides, see file of minutes).

Councillor Hopgood commented on the statistic breakdown of adults aged 65+ who were admitted into permanent care and asked if the age range could be increased to 75+ to obtain a true comparison with other authorities.

Referring to a media article, Councillor Hillary queried the County Council's policy on the use of bailiffs for the collection of council tax arrears. The Head of Planning and Performance would obtain the information from the service and report back to Councillor Hillary.

Councillor Bell noted that the number of domestic violence referrals to the Multi Agency Risk Assessment Conference (MARAC) and the number of repeat offenders were lower in County Durham compared to other parts of the Country. He questioned whether the lower figures were a reflection of the behavior of people in County Durham or if the Council were successful first time around in preventing reoffending.

In response to a query from Councillor Lethbridge regarding domestic violence incident figures within the population, Jane Sunter, Public Health Portfolio Lead advised that she would feed comments back to the lead officer on domestic abuse and find out if such statistics were available.

Councillor Nicholls was unclear with regards to the health benefits of e-cigarettes and if they could be used in public places. Councillor R Bell asked that e-cigarette data be reflected in the performance figures. Jane Sunter, Public Health Portfolio Lead advised that Public Health England have embraced e-cigarettes to a certain extent as a step towards quitting smoking altogether. They state that they still use nicotine, however, report they are 95% better than smoking cigarettes. She added that a recent evidence update on e-cigarettes from Public Health England had been published and would arrange circulation to Board members.

Councillor Turnbull referred to sickness figures and asked if data had been collected on people who were on the sick due to accidents and questioned if they had been reported to the HSE.

Resolved:

That the information contained in the report be noted.

8. Drug Strategy 2014-17 Update - Report of Director of Public Health

The Board considered a report of the Director of Public Health that provided members with an annual progress report on the delivery of actions of the Drug Strategy for County Durham (for copy see file of minutes).

Jane Sunter, Public Health Portfolio Lead highlighted the aim and strategic objectives under the Preventing Harm, Restricting Supply and Building Recovery in our Communities themes and reported the developments that had already been implemented.

Councillor Lawton asked if the work being carried out on preventing self-harm, drug abuse and suicide were linked. The Public Health Portfolio Lead responded that there was a vast connection and confirmed that work was integrated with other development areas.

In response to questions from Councillor Adam regarding preventative measures and the people susceptible to drug misuse, the Public Health Portfolio Lead explained that her role was to expand the remit and one of the main focuses would be to better educate. A great deal of work had been carried out to encourage people and their families to make behavioral changes. She continued to add that victims who experience emotional, physical and sexual abuse often turn to drugs and alcohol as a coping mechanism.

Following a query from Councillor B Graham regarding recruitment of ambassadors to the new drug and alcohol integrated service, the Public Health Portfolio Lead explained that many ambassadors come through services themselves. They receive training, support and monitoring that could eventually lead to paid employment.

Resolved:

- (i) That the contents of the report be noted;
- (ii) That a progress report be considered in 12 months.

9. Notice of Key Decisions - Report of Head of Legal and Democratic Services

The Board considered a report of the Head of Legal and Democratic Services that provided a list of key decisions that were scheduled to be considered by the Executive (for copy see file of minutes).

The Head of Planning and Performance reported that since the last update there had been no movement in items being considered at Cabinet.

Councillor Hopgood referred to the Bishop Auckland Regeneration Framework Review and asked that in future, could the consultation column on the table be completed.

Resolved:

That the information contained in the report be noted.

10. Information update from the Chairs of the Overview and Scrutiny Committees

The Board considered a report of the Assistant Chief Executive that provided an update of overview and scrutiny activity from 4 June 2015 to 18 September 2015 (for copy see file of minutes).

Resolved:

That the information contained in the report be noted.