

## **DURHAM COUNTY COUNCIL**

At a Meeting of **Corporate Overview and Scrutiny Management Board** held in Committee Room 2, County Hall, Durham on **Friday 27 October 2017 at 9.30 am**

### **Present:**

**Councillor R Crute (Chairman)**

### **Members of the Committee:**

Councillors A Patterson (Vice-Chairman), E Adam, A Batey, R Bell, K Hawley, J Makepeace, C Martin, O Milburn, M Simmons, F Tinsley, M Wilkes and J Grant

### **Apologies:**

Apologies for absence were received from Councillors D Boyes, J Chaplow, M Clarke, P Jopling, H Liddle, L Maddison, P Oliver, C Potts, L Pounder, J Robinson, J Rowlandson, H Smith, J Turnbull, A Willis, Mr R Patel and Mrs M Elliott

### **1 Apologies for Absence**

Apologies for absence were received from Councillors M Clarke, P Jopling, J Turnbull, L Pounder, H Smith, M Willis and Mrs M Elliott.

### **2 Substitute Members**

Councillor J Grant substituting for Councillor J Turnbull.

### **3 Minutes of the meetings held on 15 September and 9 October 2017**

The minutes of the meetings held on 15 September and 9 October were confirmed as a correct record and signed by the Chairman.

Matters Arising – 15 September 2017

The Head of Strategy in referring to page 4 of the minutes advised that the redundancy figures requested by Councillor Jopling would be provided at the next meeting where the MTFP(7) was considered. She further referenced a question by Councillor Adam regarding gender profiling noting the comparisons between the male and female workforce.

She went on to refer members to page 6, paragraph 5 and advised that the Horden Railway project was now progressing to timescale.

The Head of Strategy further provided an update with regard to a query raised by Councillor Turnbull relating to sky telephone systems. She advised that it had been acknowledged that this was an issue and discussions were ongoing with sky to resolve customer issues.

Matters Arising – 9 October 2017

The Head of Strategy in referring to page 11 of the report and a question raised by Councillor Bell relating to the impact of universal credit on different groups, advised that data in this regard was constantly being monitored.

#### **4 Declarations of Interest**

There were no declarations of interest.

#### **5 Report on the Council's use of powers under the Regulation of Investigatory Powers Act 2000 - Quarter 2 - 2017/18**

The Board considered a report of the Head of Legal and Democratic Services which informed members about the Council's use of powers under the Regulation of Investigatory Powers Act 2000 ('RIPA') during the period 1 July 2017 until 30 September 2017 (Quarter 2) to ensure that it is being used consistently with the Council's policy and that the policy remains fit for purpose (for copy see file of Minutes).

#### **Resolved:**

That the content of the report be noted.

#### **6 Medium Term Financial Plan (8), Council Plan, Service Plans 2018/19 - 2021/22**

The Board considered a joint report of the Director of Transformation and Partnerships and Corporate Director of Resources which provided an update on the development of the 2018/19 Budget, the Medium Term Financial Plan (MTFP(8) and Council Plan / Service Plans 2018/19 to 2021/22 (for copy see file of Minutes).

The Head of Corporate Finance and Commercial Services after providing a detailed overview of the Cabinet report noted that there was an expectation that given the anticipated late receipt of information from government, there would not be an update report to Cabinet in December. It was therefore more likely that the report would be presented to Cabinet in January 2018. The Head of Strategy advised, that if required, the Corporate Overview and Scrutiny Management Board could consider this report at their meeting on 29 January 2018.

The Chair acknowledged that it was becoming increasingly harder for the council to find and achieve savings and the report helped to put savings proposed into context.

Councillor Wilkes referred to comments made previously regarding the level of detail provided for proposed savings and asked whether Cabinet received any further detail on savings than that which had been presented to scrutiny. He went on to comment that he could not accept the proposed savings when it was not fully understood what the impact of the proposals were. He therefore requested that more detail be provided including; what, if any impact on staffing and departments, there would be.

The Chair noted that the council was still in the early stages of the process and only 9 days into the consultation process. He advised that members of Corporate Overview and Scrutiny Board would have further opportunity to discuss the MTFP and referred to the timetable included within the report. In addition he suggested that any member wanting to seek further information regarding individual savings should speak with the appropriate Head of Service.

Councillor Bell in referencing paragraph 17(b) and in particular the Better Care Fund noted the late receipt of the fund in 2017/18 and asked whether the funding could have been put into the service reserve for 18/19. The Head of Corporate Finance and Commercial Services noted that the council could have chosen to put the money into reserves however this would likely have been met with criticism. It was further noted that the funding could only be utilised to invest in non-recurrent spend. Councillor Bell asked whether it would not be possible to utilise the funding to smooth over the three year period. In response the Head of Corporate Finance and Commercial Services acknowledged that the council could have taken this approach or a number of other options, however a balanced budget was achieved in Adult Services at that time. Councillor Bell acknowledged that there was uncertainty at government level too and suggested that the council needed to be become more reactive and agile to respond to any short term funding.

Further discussion ensued regarding future saving assumptions. Councillor Tinsley commented that he felt the council should assume that cuts will go beyond 2019/20 due to national deficit. The Head of Corporate Finance and Commercial Services acknowledged that the deficit was still there however would see it unlikely that any further cuts to local government be made beyond 2019/20 given the poor financial state some local councils were currently in. He further provided detail regarding the council's capital programme and land sales, noting that the council had the largest capital programme in the North East.

Following a query from Councillor Martin regarding the Retail Price Index, the Head of Corporate Finance and Commercial Services provided further information regarding inflationary pressures and impacts upon business rates.

In conclusion the Head of Strategy provided a summary of the key points raised by members which would be forwarded to Cabinet including;

- Members acknowledged that savings are now becoming increasingly harder to find;
- there is a great deal of uncertainty in the context until the outcome of the Chancellors Autumn Statement is known and the council receives it's local government finance settlement, but that Cabinet is planning to deal with this as best it can;
- some members of the committee expressed concern about the level of detail provided regarding savings and asked that this be reviewed;
- members felt there was a need to carefully consider the best use of the Better Care Fund to underpin prevention and to support future efficiencies in the context of demographic pressures the Council faces in relation to adult social care;

- concern was expressed about the uncertainty regarding the ability to carry forward better care fund money between years, and whether the Council needs to become more agile given increasing short term funding.
- concern was also expressed about the funding outlook beyond 2019/20 and whether there is a risk of further cuts, and the Committee noted the fair funding review as a key issue that may affect the Council;.
- Members questioned the impact of RPI increases and other inflationary pressures on the council
- Concerns were also noted regarding lack of rurality funding.

**Resolved:**

- (i) That the comments made by Members of the Corporate Overview and Scrutiny Management Board on the October Cabinet report on the Medium Term Financial Plan (8), Council Plan, Service Plans 2018/19-2021/22 be forwarded to cabinet for consideration.
- (ii) That the timetable for subsequent scrutiny decisions be noted.

## **7 County Durham Partnership Update**

The Board considered a report of the Director of Transformation and Partnerships which provided an update on issues being addressed by the County Durham Partnership (CDP) including the board, the five thematic partnerships and all area action partnerships (AAPs). The report further included an update on other key initiatives being carried out in partnership across the county (for copy see file of Minutes).

Councillor Crute thanked the Principal Partnerships and Local Councils Officer for the update report and asked members for any questions.

Councillor Bell asked whether there was any expertise within the partnership to offer support for groups seeking funding from Sport England. In response the Principal Partnerships and Local Councils Officer advised that the team did not have any direct links with Sport England however the corporate funding team with assistance from the Head of Culture and Sport may be able to assist in this regard.

In addition to the above, Councillor Patterson referred to work undertaken at Crook Leisure Centre in partnership with Sport England and suggested that there may be some best practice which could be shared with Councillor Bell. Councillor Batey reiterated this, advising that she had recent experience of dealing with Sport England regarding improvement works to Chester-le-Street Leisure Centre.

**Resolved:** That the content of the report be noted.

## **8 Update in relation to Petitions**

The Board considered a report of the Head of Legal and Democratic Services which provided a quarterly update in relation to the current situation regarding various petitions received by the Authority (for copy see file of Minutes).

The Committee Services Officer advised that since the report had been written 2 new e-petitions had been hosted on the website, one of which was still live and collecting signatures until 12 November and related to stopping roundabout advertising.

Councillor Tinsley asked if clarification could be given as to why planning matters fell outside of the petition scheme when highways matters did not, as he felt this was inconsistent. In response the Senior Committee Services Officer advised that she would take this point back to the service for clarification.

**Resolved:** That the content of the report be noted.

## **9 Notice of Key Decisions**

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

The Senior Committee Service Officer reported that since the last update and new to the plan for November was the Council Tax Base 2018/19 and Forecast Surplus / Deficit on Collection Fund and the County Durham Plan update. In addition the 2018/19 General Fund Revenue and Capital Budget MTFP 8, Council Plan & Service Plans had moved to December and the review of School Provision in County Durham: Ensuring Financial Sustainability of Schools had moved to November. Finally it was reported that the decision date for the Durham City Sustainable Transport Strategy (Final) is to be confirmed with another round of consultation planned for Spring 2018.

**Resolved:** That the content of the report be noted.

## **10 Information Update from the Chairs of the Overview and Scrutiny Committees**

The Board considered a report of the Director of Transformation and Partnerships which provided an update on overview and scrutiny activity from September 2017 – October 2017 (for copy see file of Minutes).

**Resolved:** That the content of the report be noted.