

AT A MEETING of the POLICY AND RESOURCES SELECT COMMITTEE of the COUNTY COUNCIL held at The Castle Winchester on Thursday, 28 October 2010.

PRESENT

Chairman:
p Councillor Keith Chapman

Vice-Chairman
p Councillor Keith Evans

Councillors:

p Adrian Collett	p Elaine Still
p Brian Gurden	p Bruce Tennent
p Robin McIntosh	p Chris Thomas
a Anna McNair Scott	p Pat West
p Stephen Reid	p Sharyn Wheale

Also in attendance: Cllr Ray Ellis, Executive Member for Economic Development and Rural Affairs, in relation to Item 5.

50. **DECLARATIONS OF INTEREST**

Members were mindful that, where they believed they had a personal or personal prejudicial interest in any matter to be considered at the meeting, they should normally at the time of the debate declare their interest, and having regard to the circumstances described in paragraphs 9, 10, 11 and 12 of the County Council's Code of Conduct, consider whether to leave the meeting whilst the matter was discussed save for exercising any right to speak in accordance with Paragraph 12 of the Code.

Cllr Stephen Reid: declared a personal interest, that his wife worked for Milestones Museum.

Cllr Stephen Reid: declared a personal interest in relation to Item 6; that he works for HP.

51. **MINUTES**

The Minutes of the Committee Meeting held on 22 July 2010 were confirmed as a correct record and signed by the Chairman.

Matters Arising: Minute 42

In relation to Minute 42, the Chairman invited the Monitoring Officer to provide an update to Members regarding the legal basis upon which Special Recognition Awards could be made to Chief Officers. The Monitoring Officer reported that it was a committee function in law to set policy in respect of the terms and conditions of staff, and at Hampshire County Council, pay and benefits policy was agreed through the Employment in Hampshire County Council Committee (EHCC). However, application of such policy in individual cases was an executive function. Therefore it was legally correct for the Leader to approve the payment to the Chief Executive. It was also legally correct for the Chief Executive to approve the payments to the Chief Officers.

The Chairman commented that it was unlikely such payments would be made in the foreseeable future, due to the current economic circumstances. Cllr Reid commented that Special Recognition Awards should continue to be used where appropriate at what was a very difficult time, for work above and beyond what was expected. The Chairman invited Cllr Tennent, who had raised the issue at the July meeting, to comment. Cllr Tennent reported that he had met with the Director of Human Resources, and now had a greater understanding of the complexity of the County Council's pay and benefits arrangements.

Members considered that while the process had been followed correctly, the transparency and accountability of the process for approving such payments could be strengthened. Having received legal advice that the proposed approach was legally sound, the committee agreed to recommend to the Leader the following:

RECOMMENDED:

The policy in relation to allocation of payments to Chief Officer's above and beyond their salary be amended as follows:

- a) that prior to making any Special Recognition Payment to Chief Officers, the Leader should seek the approval of Cabinet to the proposed payments; and
- b) any such payments made be reported to the Employment in Hampshire County Council Committee for information

Action: Chairman to write to Leader to inform him of the recommendation of the committee

Matters Arising: Minute 44

In relation to minute 44, it was reported that the views of the committee had been reported to the September County Council meeting, and full Council had supported this committee's recommendation not to pursue Fairtrade County Status at this time, in order to continue to treat local producers and other ethical brands fairly alongside supporting Fairtrade, and to ensure value for money.

52. **CHAIRMAN'S COMMUNICATIONS**

Hampshire Scrutiny Members Network

The Chairman reported that he and Cllr West had attended a network meeting with Hampshire District and Borough Council Scrutiny Representatives on 11 October. At the Network Members shared recent scrutiny reviews and discussed good practice in scrutiny, and considered the implications of the NHS White Paper. Feedback suggested those who attended found the meeting useful, and it was intended to re-convene the network as appropriate when further information was available on issues of interest.

Budget Briefing

The Chairman reminded Members that each Select Committee usually had a briefing on Budgets and Performance at the end of November, to support Members scrutiny of the budget at the January Select Committee meetings. Considering the committee diary to avoid clashes, the proposed date for the Policy & Resources Select Committee briefing was Tuesday 30th November at 2.00pm.

53. **BUDGET MONITORING**

The County Treasurer gave a presentation regarding the Comprehensive Spending Review announced by Central Government on 20 October, which set out the broad government funding principles for 2011/12 to 2014/15.

It was noted that there would be a 26% reduction in all grants to councils. While this averaged a 7.25% real terms loss in each of the next four years, it was indicated that it was more likely there would be a higher % reduction in the first two years and a lower % the remaining two years. The County Treasurer commented that no one in government now had made reductions on this scale before.

Members heard that various specific grants were due to be subsumed within the main formula grant by 2014/15, as part of the central government policy to reduce ring fencing on spending and simplify grant allocation. Members were concerned that this could mean Hampshire would receive less money than it had done through the specific grants unless an adjustment were made to the formula grant calculation.

Members noted receipt of the Budget Monitoring report which provided an update on the County Council's budget over the first quarter of 2010/11 (see Item 4 in the Minute Book).

RESOLVED:

- 1) The Budget Monitoring Report be noted
- 2) The Chairman of the Policy & Resources Select Committee write to the Leader on behalf of the committee, to indicate committee members support for the Leader lobbying central government regarding the potential impact on Hampshire of rolling up specific grants into the formula grant.

Action: the Chairman to write to the Leader to inform him of the committee's recommendation.

54. **HAMPSHIRE ECONOMIC ASSESSMENT**

The Director of Economic Development presented to Members regarding the Hampshire Economic Assessment (see Item 5 in the Minute Book). It was noted that legislation brought in by the previous government gave Local Authorities a duty to undertake an Economic Assessment of their area. It was reported that the current government had abolished the statutory guidance regarding how economic assessments should be done, however the legislation was currently still in place.

The expectation was that Local Authorities would use the findings of their Economic Assessment to identify actions to support economic development in their area. Areas had been invited to submit proposals for Local Economic Partnerships to co-ordinate economic development activity in an area, and in Hampshire 3 bids had been submitted covering different geographical groupings. At the time of the meeting it was not known which would be supported by central government.

Members discussed economic development issues experienced in Hampshire, for example that in some areas the job profile of an area did not match the skills profile of the residents, resulting in commuting in and out. Cllr West mentioned the issue of the population

ageing, and the demand for well trained care workers. Concern was also raised regarding the extent to which the education system gave young people the right skills for the type of jobs available and the soft skills needed in the workplace.

Members also noted the importance of access to broadband internet for businesses, and the role of Local Authorities in working to ensure coverage reached communities with poor service that were not attractive to the market. It was agreed to consider this issue at a future meeting in further detail.

It was noted that the draft Hampshire Economic Assessment was currently being consulted upon with key stakeholders, and that a strategy for Hampshire County Council would be developed regarding future economic development activity, informed by this work. The Director of Economic Development offered to update this committee in future on the progress of the strategy.

RESOLVED:

That the report be noted, and Members support for the work of the economic development section be noted.

55. **IT UPDATE**

The Head of IT presented a report (see Item 6 in the Minute Book) providing an update on IT progress over the past year and priorities for the future. Cllr Reid and others commended the department for the successful re-location of the data centre without service interruption in particular. The success over the past year in delivery of improvement and savings were welcomed and also commended. Members discussed IT related issues such as use of telephone conferencing facilities, and the potential benefits of providing a shared IT service with partner authorities.

The forthcoming member's IT event in the Ashburton Hall was noted and welcomed.

RESOLVED:

That the report be noted.

Action: Scrutiny Officer to add Broadband to the work programme

Action: that an update on the Economic Development Strategy be considered for the future work programme

56. **UPDATE – REVIEW OF THE SEVERE WINTER WEATHER EXPERIENCED IN 2009/10**

The Chairman reported that the Cabinet considered the report produced by the Review Panel of this committee on 27 September, and accepted all the recommendations. The recommendations had since been circulated to key departments and partner agencies and their response invited. The Chairman circulated a response from the Environment Department and indicated that a response had also been received from the NHS.

The Chairman invited Members to consider the responses received, and communicate any comments to him for follow up. It was agreed that Members would wish to monitor implementation of the recommendations and receive an update at a future meeting.

RESOLVED:

1) That the responses received to the recommendations be circulated to the members of the committee and comment invited, for the Chairman to consider any follow up.

2) Key stakeholders be invited to a future meeting of the committee to report on progress with implementation of the recommendations.

Action: Scrutiny Officer to circulate the responses received

Action: Scrutiny Officer to add monitoring of the recommendations to the future work programme

57. **FLOODING REVIEW**

The Chairman reminded Members that the committee had previously agreed to initiate an indepth review of Flooding following completion of the Severe Winter Weather Review, in follow up to the light touch review of flooding undertaken by the Environment and Transportation Select Committee in late 2009. However, the Chairman reported that circumstances had changed and suggested the timing of this review may need to be re-considered.

Cllr Sharyn Wheale, Chairman of the Environment and Transportation Select Committee, read out a statement explaining that the Flood and Water Management Bill had become an Act in April 2010, which placed a new duty on County Council's as 'Lead Local Flood Authority', however parts of the act had yet to be implemented.

Members agreed that given the circumstances, a review would not add value during this period of transition, and that the options to undertake an indepth review of

flooding could be revisited in April. It was also suggested that key officers could be invited to brief members on progress in relation to Hampshire implementing the requirements of the Act, to assist members consideration of the scope of such a review.

RESOLVED:

The committee re-consider the options for undertaking an indepth review of flooding at the April meeting.

Action: Scrutiny Officer to ensure flooding remains on the work programme, to be re-visited in April

58. **APPROVAL OF REVIEW BY ENVIRONMENT AND TRANSPORTATION SELECT COMMITTEE: THE CO-ORDINATION AND REGULATION OF ALL WORKS ON HAMPSHIRE COUNTY COUNCIL'S HIGHWAYS**

The Chairman reminded Members that as the overarching scrutiny committee, this committee has oversight of the indepth reviews undertaken by the other Select Committees.

RESOLVED:

That the Review of the co-ordination and regulation of all works on Hampshire County Council's highways by the Environment and Transportation Select Committee be approved.

59. **WORK PROGRAMME**

The Chief Executive presented the committee's future work programme. The Chairman went through the topics on the work programme seeking committee members approval to remove items on the work programme that were no longer considered relevant. The following amendments were made:

Items removed from the work programme:

Hantsdirect Contact Centre Implementation – as the project was now completed

Corporate Biodiversity Action Plan – as there was no need to continue monitoring this

Insurance Monitoring – as there was no need to continue monitoring this

Sustainable Communities Act – as there was still no clarity from central government regarding future rounds of applications under this Act

Local Area Agreement – as central government would not be requiring us to produce a LAA after April 2011

Local Television Services – as the Member who had suggested this item was no longer on the committee

Fairtrade – as this issue had been dealt with

Transparency of Special Recognition Awards – as this issue had been dealt with

Reducing Reliance on Paper – as this issue was not sufficiently focused

Councillor Call for Action – as there was no indication there was any cause for concern with the current protocol

Amendments:

Disaster Recovery Planning be changed to Business Continuity Planning, with a potential update indicated for late 2011

Recruitment and Retention of Staff – to consider the situation after the implementation of initial staff reductions. To consider the views of the Director of Human Resources regarding appropriate timing.

Rural Broadband – to expand to include broader broadband related issues

Use of Consultants – to subsume as an aspect of the Recruitment and Retention of Staff item

Efficiency of New Elizabeth II Court Building – Members requested this item be given priority

Flooding – agreed to re-consider in April 2011

Responding to emerging legislation which affects local government scrutiny – to add consideration of the anticipated legislation regarding the NHS and the 'localism' bill

RESOLVED:

That the Committee's Work Programme be approved subject to the amendments made at this meeting.

Action: Scrutiny Officer to amend the work programme accordingly