

Lancashire County Council

Scrutiny Committee

Minutes of the Meeting held on Friday, 20th January, 2012 at 9.30 am in Cabinet Room 'B' - County Hall, Preston

Present:

County Councillors

S Chapman	P Malpas
Mrs F Craig-Wilson	D O'Toole
C Crompton	Mrs L Oades
M Devaney	V Taylor
K Ellard	D Westley
Mrs J Hanson	B Winlow

1. Apologies

Apologies for absence were received from County Councillor J Shedwick.

2. Membership Change

The Chair welcomed County Councillor Vivien Taylor who had been permanently appointed to the Committee in place of County Councillor Peter Steen, and who was attending the Committee for the first time. Councillors thanked Councillor Steen for his work on the Committee and the 'Who Cares?' Task Group.

3. Attendance of Cabinet Members and Lead Member

The Code of Conduct required that the permission of the Committee be granted to allow County Councillors:

- Geoff Driver, Leader of the Council;
- Tim Ashton, Cabinet Member for Highways and Transport;
- Michael Green, Cabinet Member for Economic Development, Environment and Planning;
- Mark Perks, Cabinet Member for Young People; and
- Mike France, Lead Member for Communities and Partnerships;

to attend and speak at the meeting.

Resolved: That, the above named County Councillors be permitted to attend and speak at the meeting.

4. Disclosure of Personal and Prejudicial Interests

None were disclosed.

5. Minutes of the Meetings held on 9 and 21 December 2011

Resolved: That, the minutes of the meetings held on 9 and 21 December 2011 be confirmed and signed by the Chair.

6. Scrutiny of the Lancashire County Council's Budget proposals for 2012/13 and 2013/14

The Chair welcomed County Councillors Geoff Driver, Leader of the Council, Tim Ashton, Cabinet Member for Highways and Transport, Michael Green, Cabinet Member for Economic Development, Environment and Planning, Mark Perks, Cabinet Member for Young People, and Mike France, Lead Member for Communities and Partnerships to the meeting. The Chair also welcomed Jo Turton, Executive Director for the Environment, and Steve Freeman, Accountancy and Financial Planning Manager to the meeting.

Steve Freeman gave an outline of the County Council's Budget proposals for 2012/13 and 2013/14 which were considered and agreed by the Cabinet at its meeting held on 5th January 2012. The proposals formed part of a three year financial strategy covering the financial years 2011/12 to 2013/14. The Committee was informed that the Cabinet would consult with stakeholders on its proposals for further below the line savings of £7.2m. The Committee was also informed that the Cabinet would consult with stakeholders on its proposals for one-off investment of £35m in its key priorities as set out in the Committee report at Appendix 'B'.

It was the conclusion of the County Treasurer that the robustness of the estimates and adequacy of reserves at this stage in the budget process was that all practical steps had been taken to ensure a robust budget supported by a level of reserves adequate to address the financial risks facing the County Council. The views of the Committee were sought.

Councillors were invited to ask questions and raise any comments in respect of the proposed below the line savings, a summary of which is provided below:

- A query was raised on the possibility of exceptions for social workers on the reduction of mileage allowances. It was explained that the matter was out to consultation with the unions the outcome of which was awaited.
- Councillors queried the cost reduction of concessionary bus fares. The Committee was informed that the Council had managed to negotiate a lower imbursement rate with operators. The Cabinet Member for Highways and Transport thanked officers for their achievement on this matter.
- Councillors also queried the pressures on the Council regarding the waste budget and the rate of diversion of waste from landfill. It was reported that more tonnage was going to landfill and that the main cost of this was connected to the diversion rates set by the PFI waste contract. The

Committee was informed that there had been an increase in the use and disposal of plastic which was more difficult to recycle. Waste plants had only recently become fully operational on the contract, but work was underway to address the issue. It was reported that officers were looking at new opportunities regarding lower grade plastics by either selling the waste on or looking into the possibility of using it to produce replacement kerbstones.

- It was reported that the County Fund Balance's general reserves were reducing year on year. However, the change was minimal and in-line with authorities of a similar size.
- In relation to the savings proposed on corporate carbon tax, Councillors were informed the Council produced less carbon and that there had also been a change in regulations for the use of carbon. It had also been clarified that schools would bear their own costs in this area directly through their budgets. Councillors expressed their concern regarding this additional pressure on schools' budgets, although also expressed the hope that such a move would encourage schools to embark on more carbon reduction schemes and reducing their use of carbon. It was reported that schools formed half of all the carbon usage of the Council's premises
- The proposal to reduce costs on agency placements within the Children and Young People Directorate was raised in relation to the impact this would have on the service. It was reported that this was an efficiency saving through improved ways of working and that it would have no impact on the services delivered by the directorate.
- On companion cards for use on buses, it was reported that bus operators had been reluctant to take forward this initiative and that the Council was unable to come to an agreement with the operators on the matter. The Committee was informed that one of the main reasons for this was that bus operators would need to install an additional card reader on their buses. It was highlighted that a similar scheme was already in use on the railways. The Committee was reassured that there was a continuing desire for the Council to implement this initiative in the future, and it was highlighted that the Government was looking to introduce smart card readers by 2014 on all forms of public transport.
- In relation to the reduction of manager posts in the Environment Directorate, a completion date for the restructure was sought. The Committee was informed that the directorate was going through a considerable period of change where upon all staff were briefed on proposed changes and would receive the necessary support. Staff, were comfortable with the proposed changes. All reductions in the number of manager posts would be carried out through voluntary redundancy (VR). The proposed reductions would be carried out over a period of two years. Staff, in the directorate had been asked to express any interest in taking VR. The Leader of the Council thanked Jo Turton for the work she had carried out.
- The impact of the proposed reduction in the level of the highways contingency fund by 50% was questioned. The Committee was informed that the fund had initially been setup with £840k for use by Councillors to bid in to if the Council was unable to meet the priorities of the

commissioning process. However, there had been very little take up on the use of the monies available to Councillors where upon it was suggested that the contingency fund be reduced by half.

Councillors were invited to ask questions and raise any comments in respect of the investment proposals. A summary of which is provided below:

- Questions were asked regarding the selection process of the investment proposals contained in the Cabinet report. The Committee was informed that the Cabinet had considered the matter. It was highlighted that few local authorities would be announcing a council tax freeze, plus the provision of job opportunities for young people and £50m to invest in the Council's key priorities.
- The committee asked why the additional one-off resources of £50m could not be used to offset other budget reductions the council faced. It was explained that £179.1m of savings to be made were ongoing, whereas the £50m was a one off fund and that it would therefore be unwise to consider such a move. It was considered that taking such an action would put the Council in a worse position the following year.
- A question was asked in relation to the proposal for promoting sustainable employment for young people through apprenticeships and whether any detail would surface regarding the number and type of apprenticeships to be made available. The Committee was informed that more detail would follow at the appropriate time. However, the Council was in talks with a number of key local employers in devising an apprenticeship scheme.
- The committee sought further detail on the proposal to develop employment opportunities as part of a five year Strategic Economic Development and infrastructure programme. It was reported that discussions were ongoing and that the Council was considering investing in this proposal money from the capital programme. It was hoped that this initiative would provide sustainable work for the future in areas such as research and development.
- A query was raised in relation to the proposed mentoring service by Armed Forces Veterans for secondary school pupils and what it would involve. It was felt that Armed Forces Veterans were highly regarded by young people and that a mentoring service would be beneficial to them. More detail would be announced in the future.
- It was asked whether there was any money set aside for the proposed new bus station for Preston. Councillors were informed that the matter had been retained in the Council's capital programme.
- A question was asked in relation to the proposal on further support for the programme of Youth Zones and what the Cabinet's intention was to do with the amount set aside. The Committee was informed that the Council would roll out the Youth Zone model across all the districts in Lancashire.

Councillors thanked the Cabinet and Officers on savings achieved, the proposals put forward for consultation and for maintaining its frontline services.

Resolved: That the report be noted.

7. Youth Employment and Employability Strategy

The Chair welcomed County Councillor Michael Green, Cabinet Member for Economic Development, Environment and Planning, County Councillor Mark Perks, Cabinet Member for Young People, Bob Stott, Director for Universal and Early Support Services, and Anne Ainsworth, Economic Policy Manager, to the meeting.

Bob Stott introduced the report which aimed to provide the Committee with an update on progress made to deliver the Council's Youth Employment and Employability Strategy. The Committee noted that since the Task Group report, 'Young People: Employment and Employability Against a Backdrop of Economic Recession and Recovery' was published in June 2010, a number of actions had been undertaken. The most notable of which being the development of a Corporate Skills Framework which was agreed by the Cabinet at its meeting held on 15 September 2011. The Framework also set out the key priorities for action together with appropriate core performance indicators which would underpin the Council's activity on the matter.

The Committee also noted that Cabinet had recently proposed to invest significant resource for young people not in education, employment or training (NEET) in relation to apprenticeships and the extension of the Youth Zone programme across Lancashire.

The report gave an outline of the national and local picture on progress made and highlighted progress made including actions to date in relation to five key areas:

- a) Youth Employability;
- b) Early support;
- c) Working together with Families;
- d) Careers Education, Information, Advice and Guidance (CEIAG); and
- e) Apprenticeships

The report also provided a range of key outcomes for which the Council hoped to achieve over the next three years. These commitments which formed a part of the Framework included:

- The development of 8 additional 'Business Class' business to school relationships;
- To increase the number of apprenticeships within LCC by 50%;
- To increase the proportion of apprenticeships within the private sector by 2%;
- The number of young people in Lancashire classified as NEET to be no more than 6.5%;
- Improve the attainment levels of Lancashire schools through the achievement of 5 or more A* - C grades at GCSE or equivalent including English and Maths to 59.5%;

- Increase the proportion of pupils eligible for Free School Meals performing at the expected level at key stage 2 to 55% and key stage 4 to 32%; and
- To increase the number of looked after children who go on to further education, training and employment to 75%.

Councillors raised a number of comments and questions. A summary of which is provided below.

- Both Cabinet Members acknowledged the contribution and value of the work of the Task Group and thanked the Scrutiny Committee for raising this as a matter of progress monitoring.
- One Councillor enquired about the worsening picture of young people not in education, employment or training (NEET) in the district of Burnley as mentioned in the report. The Committee was informed that Burnley was given as an example and that there were other districts within the County where this was occurring as well. However, resources had been allocated to all areas of Lancashire, with a concentration on areas of greatest need, where the largest numbers of young people who were NEET, being; Burnley, Hyndburn, Lancaster and Preston.
- Concern was expressed regarding the level of CEIAG provided to school leavers. It was felt that Job Centre Plus' service provision didn't compare. The Committee was informed that the Council had regular meetings with further education providers on the matter.
- On apprenticeships, one Councillor asked whether the Council could guarantee the uptake and prospect of permanent employment later on. The Committee was informed that the Economic Development Service was currently operating the Future Horizons programme assisting young people into sustainable employment and that further opportunities were being explored for the Council to work with external partners. A further question was asked in relation to any training an apprentice might take. The Committee was reassured that the Council would support businesses and individuals to ensure longevity and progression.
- Another Councillor raised concern that young people did not know where to go for an apprenticeship and wondered how the Council could make such information available. The Committee was informed that this was a major piece of work yet to be done in conjunction with the Communications Service.
- A question was asked about maintaining services provided at Children's Centres across Lancashire. Councillors were informed that with regard to budget pressures, resources had been targeted to those Centres in the most deprived areas of the County to help provide a "universal offer".

Resolved: That;

- i. The report be noted;
- ii. The Committee receive progress reports
 - in six months time on Apprenticeships
 - 12 months' time on the overall strategy.

8. Draft Report of the Task Group: Flooding Lower Alt

County Councillor Michael Devaney, Chair of the Task Group, presented the draft report and its recommendations to the Committee.

Councillor Devaney expressed his gratitude for the enthusiasm of the Task Group on this matter including the Councillors appointed by the West Lancashire Borough Council to serve on it.

A meeting of the Task Group was held on 16 December 2011 where key officers from the Environment Agency (EA) had attended to provide evidence. District Councillors from the West Lancashire Borough were canvassed for their views and any questions they had in relation to the EAs consultation document. The EA was asked to prepare detailed answers.

Key points of concern raised by Councillors were included in the task group report. The Chair highlighted that the EAs consultation document, as presented, did not demonstrate that it had fully considered the economic impacts of its proposals. However, it was reported that the EA had recognised that it could have explained the consultation process better in that it was more of an "initial discussion" with the public and only the first stage of a comprehensive consultation period which would last 18 months.

A key benefit of the Task Group's meeting was the willingness of the EA to work with it and to ensure effective communication with interested groups and individuals as the consultation and engagement process continued. It was agreed that the West Lancashire councillors would act as a conduit in this regard, arranging future meetings between the EA, local representatives and other interested parties. It was also agreed by members that this activity would be independent and out-with the corporate authority of both the county and district councils.

The Task Group had made a number of recommendations which were set out in the report. Cabinet Member Green thanked the task group and the Scrutiny Committee for their work and stated that he fully endorsed the recommendations made to him.

Resolved: That;

- i. The draft report and its recommendations be endorsed and published;
- ii. The Environment Agency be invited to attend and speak at the meeting to be held on 14 September 2012 and to report on their progress in implementing recommendations made to them, in particular the effectiveness of their renewed consultation arrangements;
- iii. The report be circulated widely in the affected area, with copies to be sent to local MPs, West Lancashire District Council, and local parish councils
- iv. The Communications Group be asked to promote the final report accordingly.

9. Task Group Updates

The Committee received an update on current task groups and their proposed completion dates.

Resolved: That, the update on existing task groups be noted.

10. Recent and Forthcoming Decisions

The committee had been given the opportunity to view and consider recent relevant decisions made and also forthcoming decisions including those set out in the current Forward Plan.

Resolved: That the report be noted.

11. Workplan 2010/11

The workplan for the committee was presented for noting and comments. The Chair gave an outline of the work to be carried out by the Committee over the coming months including the additional work agreed earlier in the meeting.

Resolved: That the report be noted.

12. Date of Next Meeting

It was noted that the next meeting of the Committee will be held on 10 February 2012 at 10:00am at County Hall, Preston.

I M Fisher
County Secretary and Solicitor

County Hall
Preston