

DONCASTER METROPOLITAN BOROUGH COUNCIL
OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE

THURSDAY, 19TH JANUARY, 2017

A MEETING of the OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE was held at the COUNCIL CHAMBER - CIVIC OFFICE, DONCASTER on THURSDAY, 19TH JANUARY, 2017 at 10.00 AM

PRESENT:

Chair - Councillor John Mounsey

Councillors Neil Gethin, Richard A Jones, Jane Kidd and Paul Wray

ALSO IN ATTENDANCE:

Steve Mawson, Chief Financial Officer and Assistant Director of Finance
Gill Gillies, Assistant Director Environment
Dave Wilkinson, Assistant Director Trading Services and Assets
Jennefer Holmes, Head of Skills and Enterprise
Kim Curry, Director Adults, Health and Well-being
Rupert Suckling, Director of Public Health
Pat Higgs, Assistant Director Adult Social Care
Patrick Birch, Programme Manager Commissioning and Contracts
Jon Tomlinson, Interim Assistant Director Modernisation and Commissioning
Damian Allen,
Leanne Hornsby,

APOLOGIES:

Apologies for absence were received from Councillors Charlie Hogarth, Rachael Blake and John Cooke

		<u>ACTION</u>
52	<u>APOLOGIES FOR ABSENCE.</u>	
53	<u>TO CONSIDER THE EXTENT, IF ANY, TO WHICH THE PUBLIC AND PRESS ARE TO BE EXCLUDED FROM THE MEETING.</u>	
	None	
54	<u>DECLARATIONS OF INTEREST, IF ANY.</u>	
	There were no declarations made.	
55	<u>PUBLIC STATEMENTS.</u>	

	There were no public statements.	
56	<p><u>OVERVIEW AND SCRUTINY RESPONSE TO THE MAYOR'S BUDGET PROPOSALS 2017/18</u></p>	
	<p>Prior to consideration of the item, it was moved and seconded that because there was not a formal Overview and Scrutiny Management Committee meeting prior to the 14th February, Cabinet meeting that the Committee's final response to the Mayor's budget proposals be agreed by the Chair.</p> <p>The Committee considered the report detailing the Mayor's Budget Proposals 2017/18, with discussion focused on the following:</p> <p><u>Chief Financial Officer and Assistant Director Finance</u></p> <p>The Chief Financial Officer and Assistant Director Finance provided details of the Medium-term Financial Forecast for 2017/18 to 2020/21 and the Local Government Settlement. He outlined that following the Settlement announcement, the Mayor was working on the final version of the budget report to be considered by Cabinet on 14th February, which would be released prior to that date.</p> <p>New Homes Bonus scheme – Members acknowledged the grant confirmed to the Council for 2016/17 which was an additional £1.57m compared to 2015/16 mainly due to housing growth and a further small reduction to empty properties. It was noted that an evaluation of the New Homes Bonus (NHB) led by the DCLG concluded that the most negative impacts were seen in the north of England and Yorkshire and the Humber. Details of the estimated grant figures were set out in the report.</p> <p>Members noted the Government's consultation paper on the NHB reduced the amount of grant paid out, for example, by reducing the number of years for which the Bonus is paid from the current 6 to 4 years and introducing a national baseline for housing growth which had to be exceeded before any bonus became available.</p> <p>Council Tax Base – This had increased.</p> <p>Local Council Tax Support Scheme – 100% support had been retained and it was hoped this would remain for the next few years.</p> <p>Treasury Management function – additional income was expected due to lower borrowing required and reduced interest costs.</p> <p>2018/19 proposals – The Committee recognised the potential to achieve additional savings if all proposals came to fruition.</p> <p>Reserves – The Committee acknowledged the effectiveness of the</p>	

financial strategy in building up and utilising reserves in 2017/18 to spread the burden of the more significant pressures that arise during the year. The Committee also welcomed the recent announcement relating to the White Rose Way scheme, which reduced the risk on the reserves position.

Capital reserves – The Committee was reminded that Revenue costs could only be capitalised unique circumstances, for example, to capitalise the equal pay review. At the moment the Council does not have any unique circumstances.

Risks – The Committee noted that key risks to the delivery of the budget continued to be identified and effectively managed to make sure they did not adversely impact on the Council's ability to meet its savings target, in particular:-

- Possible non-delivery or delayed delivery of key projects/savings;
- Risks within Adult Social Care, for example, not managing demand and people leaving and not being able to recruit the right calibre of professionals; and
- Children's Trust financial overspend position. This was an ongoing concern, therefore the Overview and Scrutiny Management Committee was due to give consideration to the financial recovery plan on 15th February, 2017.

Mayor's Proposals and the extent they are in line with central government policy, pressure and directives, whilst bearing in mind Brexit – It was noted that the biggest risk was long term settlements, for example in 2020 there is no indication what the settlement would look like. With regard to House building, business rates and people in employment, the area was currently doing well. It was stressed that with the right economic condition and good infrastructure this would encourage people into the area.

Transformation Fund – its effectiveness was noted in assisting Directorate to achieve savings targets in a timely and well managed way, and fund any shortfall on planned programmes.

Assistant Directors Environment and Trading Services and Assets

Mayor's proposals and how will they ensure the Council is able to contribute to the outcomes set out in the Borough Strategy and Corporate Plan – with regard to the Regeneration and Environment Directorate it was noted that all the actions and objectives in the plans, linked to the to the Corporate Plan and the Mayor's promotion of growth for the borough. It was stressed there was a huge amount of skills in the area which were making the town more vibrant and prosperous.

Commissioning and Procurement – The Committee noted that good

progress was being made with waste collection with all legislation and procurement rules being followed. The high level of spend on the waste contract was noted however so was the lower off contract spend where services were bought locally, for example, the purchase of rose bushes. The service had undertaken a lot of work to “buy local”, which was preceded by an engagement event with local suppliers. Business Doncaster had played a key role to build the Council’s local supply chains.

Brexit – with regard to financial contract benefits when the country exits from Europe, it was noted that many discussions were required where a range of procurement rates would be developed. It was acknowledge that there would most likely be a change in regulations.

Confidence in delivering savings within timescales and capacity to deliver bearing in mind reduced resources – It was noted that the savings for the Directorate had been developed well to ensure what has been put forward was achievable. There had been a significant amount of investment in new technology for example in vehicles and equipment. The introduction of the 7 day service had improved efficiency and not had an impact on standards and service.

School Academisation - Some of the areas in the Directorate were income generation based with one risk being the outcome from school academisation, but the Directorate worked closely with Education to pre-empt and identify areas of concern.

Skills and Enterprise – It was noted that a large portion of this service was grant funded with work undertaken to ensure its continuation. A lot of work was being put into the apprenticeship levy to make sure it was implemented.

Waste Collection - With regard to capacity to deliver waste services the Directorate was working closely on succession planning, including apprenticeship opportunity and ensuring a dynamic workforce. New waste bins were currently out to tender with the possible option of glass segregation. The new waste contract was due to start at the end of the year.

In response to the a question from the Committee it was acknowledged that bringing the waste collection service back in-house had been investigated but at this time it was not financially feasible, but unaffordable. Some services/assets may be funded by the Local Authority and there were continued conversations with neighbouring authorities to deliver a joint service.

Faulty Fridge Collection – it was noted that free fridge collection would cease at the end of March as the service could not continue to be offered, due to disposal costs and significant regulations relating to electrical collection. Collection points have been established across

the Borough where residents could take their old fridges and other recycling free of charge.

Potholes – It was advised that an additional £389k had been received for pothole repair. The Directorate undertakes a full yearly assessment on the condition of roads, to prioritise repair and was currently investigating more efficiently sharing of equipment and resources.

Director Adults, Health and Well-being

In response to what extent the Mayor's proposals ensure that the Council was able to contribute to the outcomes set out in the Borough Strategy and Corporate Plan, the Director provided context to the budget discussion. It was explained that the Committee was fully aware of the progress made in the previous year from Q2 in 2015/16 and the significant challenges that remained for Adults, Health and Well-being.

Members noted that the total number of people in residential care at 8th January, was currently 1,429. This was made up of 1034 Council funded residents and 395 self-funding residents. This figure had reduced by 105 from 1,534 at the same point last year.

The average for Yorkshire and Humber was 1,115 with the average for England being 1,214 (as at 31/3/16). The Transformation Programme would reduce Doncaster's numbers in residential care further to reach the Yorkshire and Humber and England levels.

The total number of direct payment agreements currently in place was 565. This figure had increased by 112 from 453 at the same point last year. Doncaster's percentage of direct payments for 2015/16 was 15.6%, compared to 25.8% for Yorkshire and Humber and 28.1% for England. The current figure of 565 agreements equates to 20.3% which moved the Local Authority closer to comparators but still required to improve significantly.

At Q2 last year the Adults, Health and Well-Being projected overspend stood at £4.9M, at Q2 this year the projection was £0.9M which was a reduction of £4M. This had been achieved through improved commissioning, performance management and activity target setting along with the delivery of savings that had been submitted for 2015/2016 but not delivered by the previous management regime.

Directorate Overspend – In response to why the Directorate was overspent, it was explained that it was difficult to move people out of residential care. Assurances were provided that people were being carefully supported and worked with to ensure the correct care package was in place. It was noted that currently there were approximately 30 people going into care and 40 leaving, per month. It was hoped that this could be sustained over the next 12 months

therefore reducing the number of people in care.

Challenges – There were challenges from services that the Local Authority was not in control of, for example, discharge process from hospital which created a knock on effect within social care. The Directorate was working hard with the Foundation Trust on an integrated discharge process, but it was noted that there was always a default position of there being a bed at home, where care could be provided if appropriate. There was a joined up approach with the NHS relating to managing demand of people entering the system, managing the aging society, increasing numbers of people with dementia and improving services for carers.

Commissioning care and support at home – It was confirmed that timescales were being met and on target. Plans were being developed and implemented in the correct and most supportive way, using locally based providers to respond more flexibly to people's needs, ensuring they live at home as long as possible. It was stressed that there were also many technological support mechanisms in place through the Telecare system that were easy to use, with some that were voice and movement activated.

It was explained how places for people in care were financed and the committee noted that the Local Authority was able to request information on a person's income and finance, requests for which had gradually increased due to the amount of people entering the social care system. This information was used to develop a picture of how people have spent their money over the last 7 years.

The Director highlighted that the Local Authority's Benefit's Team was the most experienced she had worked with, who had good relations with many partners to undertake quality financial assessments.

Direct Payments – It was reported that there was positive feedback from Direct Payment recipients and the scheme was working really well. It was noted that services could be procured at a rate 15% cheaper through the Council than if sought privately.

Risks – These were highlighted as increasing expenditure in Adult Social Care, not managing demand and people leaving and not being able to recruit the right calibre of professionals.

Adult Social Care Levy – The Chief Financial Officer and Assistant Director of Finance announced that in terms of Council Tax, that the Government had created an option to increase the Adult Social Care Levy to 3%, however, it noted that the Mayor had confirmed the proposal was for it to remain at 2%, as this was consulted on.

Director Learning and Opportunities – Children and Young People

Children's Trust – the significant overspend was noted and again that the Committee would be considering the financial recovery plan report on 15th February.

Demonstrating that the results of any consultation, research or other evidence taken in to account for budget proposals – Any service provision or change was required to show how it works and impact for the children of the Borough.

Budget pressures – outside the Children's Trust this related mainly to demand-led placements that were out of authority for children with special educational needs and disabilities. It was noted that some children could not be removed from placements back to Doncaster due to complex issues, but this was an issue continually being addressed. Funding was available from NHS in certain complex need cases. It was noted that this in turn brought about challenge and appropriateness of placements in the Borough, and the requirement for the Inclusion review.

It was acknowledged that reductions with demand-led budgets should be achievable in the next financial year with appropriate measures already being put in place.

With regard to case law fines for a child's school attendance a reduction in income has occurred due to a moratorium being in place pending a Supreme Court Judgement. Any change in DfE policy would follow-on from this. In the meantime the Authority was now in a position to address income generation via other means such as the launch of a revised traded offer to schools.

Directorate Restructure – the Director advised the Committee of the Directorates restructure which had been completed on time and with the requisite full year savings for the next financial savings now available as well as some in-year savings having been made. Phase 2 addressing whole service reviews would commence in the new financial year. Service lead changes were now clear and in place and had been communicated.

Education and Skills Commission – a consultation event had been undertaken from October, recently concluding with teachers and the college. A Team Doncaster response would be produced on the recommendations from the consultation.

To conclude it was noted that Doncaster's Secondary Education performance had improved making it the 5th most improved at GCSE having increased by approximately 5 percentage points. It was noted that it could take an inadequate primary school 1 - 3 years to achieve good and longer for a secondary school. Team Doncaster projects were having an impact and assisting/supporting the Authority improvement.

	RESOLVED:- that the Mayor's draft budget proposals be accepted and the Chair undertakes to provide a formal written response.	
57	<u>OVERVIEW AND SCRUTINY WORK PLAN 2016/17 - UPDATE</u>	
	<p>The Committee considered the Scrutiny Work Plan, noted the current position and work to be undertaken by the Committee and Panel's for the remainder of the 2016/17 Civic Year.</p> <p><u>RESOLVED:</u> that the report, be noted.</p>	