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## DONCASTER METROPOLITAN BOROUGH COUNCIL

### OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE

THURSDAY, 3RD OCTOBER, 2019

A MEETING of the OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE was held at the COUNCIL CHAMBER - CIVIC OFFICE, DONCASTER on THURSDAY, 3RD OCTOBER, 2019 at 10.00 AM

#### PRESENT:

Chair - Councillor Jane Kidd

Vice-Chair- Councillor John Healy, Neil Gethin, Majid Khan and Andrea Robinson

#### ALSO IN ATTENDANCE:

Councillor Frank Tyas

Debbie Hogg, Director of Corporate Resources

Phil Holmes, Director of Adults, Health and Wellbeing

Matt Smith, Directorate Finance Manager

Lee Golze, Head of Business Transformation and Strategic Commissioning

Rob Moore, Director of Corporate Resources & Company Secretary, DCST

Victor Joseph, Consultant in Public Health

Caroline Martin, Senior Governance Officer, Scrutiny

		<u>ACTION</u>
1	<u>APOLOGIES:</u>	
	Apologies for absence were received from Councillors Mark Houlbrook and Richard A Jones and Paul O'Brien (invitee).	
2	<u>DECLARATIONS OF INTEREST, IF ANY.</u>	
	No declarations were reported at the meeting.	
2	<u>PUBLIC STATEMENTS.</u>	
	There were no public statements made at the meeting.	
3	<u>MEDIUM-TERM FINANCIAL STRATEGY (MTFS) FOR 2020/21 TO 2022/23</u>	
	The Committee received a report on the Medium-Term Financial Strategy (MTFS) 2020/21 – 2022/2023. The Director of Corporate Resources provided Members with an overview, stating that the Council had set a budget strategy for the next 3 years and the balance position for 19/20 was already known to be in deficit. It was stated that proposals had been developed in advance of the normal budget cycle	

to enable the Council to form a number of assumptions outlined within the report. This would ensure that appropriate consultation was undertaken with the public, staff and other groups so that the proposals would be ready for April 2020. An outline of the appendices to the report was provided to Members, highlighting the addition of Appendix G, which presented the level of service costs for each service area.

Following the brief overview, the Chair stated that the Panel had highlighted 4 areas to focus upon as follows:-

- (1) To what extent are the Mayor's proposals in line with central government policy, pressures and directives?
- (2) To what extent will the Mayor's proposal ensure that the Council is able to contribute to the outcomes detailed within Doncaster Growing Together & the Corporate Report bearing in mind the constraints detailed above?
- (3) To what extent do the Mayor's proposals take account of consultation or proposed consultation, research or other evidence?; and
- (4) To consider the challenges and risks to the delivery of these proposals.

The Committee sought Officers views on whether the proposals increased pressure on Adult Social Care budgets. Members were advised that improvements were possible although it was essential that Doncaster residents received the correct support when it was needed. It was stressed that it was important to get the basics right which would enable a shift towards improving prevention. It was considered that it was important to note the significant investments being made by the Council in community support and have the right conversations with Doncaster people to navigate them to the right support within their local communities.

Reference was made to the workforce as the authority's biggest asset and a need to provide greater clarity about the way they worked both within the Council and with partners across Doncaster, for example with the hospital and working early to intercept demand.

In reference to the Residential Short Breaks detailed with Appendix E, it was acknowledged that carers provided an invaluable role and the focus needed to be around how the short breaks facility could be made more appealing to the remaining 32% (of people who were not receiving the service of short breaks when there were facilities available). Further clarity was sought about the savings and whether the Council received payment if there was an increase to 100% occupied. It was explained that the cost in service would remain the same and it was about the cost of carer breakdown and people having to be accommodated elsewhere that was looking to be addressed.

Clarification was sought on the certainty or uncertainty with regard to

receiving grants such as the Better Care Fund. It was advised that assumptions were being made that the funding would continue and as part of the Chancellors spending round in December, additional resources had been identified nationally.

With the Authority moving towards a locality model and with social care services using Community Hubs to have early conversations, Officers were asked whether any unmet need had been uncovered that would place pressure on the budget. It had been identified that there was a significant degree of proactive, problem solving work being undertaken within the communities and Doncaster already had a good foundation to work on. It was advised that the NHS Clinical Commissioning Group worked together with the Council and other partners as part of the Place Plan to ensure positive joint working was taking place.

Regarding further funding opportunities, it was reported that in terms of this year's spending round, additional resources had been provided. Members were advised that there has been a commitment made for education, £700m for higher needs and the SEND block within the Dedicated Schools Grant, and additional £6m for Adult Social Care. There had also been additional resources above inflation for public health and £54m additional funding for homelessness. It was explained that the Government had targeted particular areas, which was pleasing but did not address core funding tied up with the change of business rates. It was noted that the consultation was due to commence again in readiness for next year but would take time to work through.

Regarding the Higher Needs Send Block, Members were advised that when the spending round was announced, the Council was not made aware of how this would affect spending at a local level. It was noted that from the £700m national figure quoted, the Council had worked out that Doncaster would receive an additional £2m for Year 1 to relieve the pressure on the Dedicated Schools Grant Higher Needs Block.

Concern was raised that the need was still required on a continuous basis and perhaps an increase in the Fairer Funding Level was required. It was highlighted that the Schools Forum was the dedicated body that provided the grant funding supporting the Higher Send Block in the short-term. It was acknowledged that there was significant work being carried out in partnership with Doncaster Children's Services Trust around a Future Placement Strategy with a proportion of that dealing with Out Of Authority Placements and working to bring those children back into the authority.

Further concern was raised in relation to how the Council ensured that schools and academies were spending the funding allocated on Higher Needs Block and was not being absorbed into the schools budget. It was reported that the Council had an Effectiveness and Standards Team and that a robust analysis was carried out on where the money was being spent. It was explained that this was also linked to

Education and Health Care Plans for each child and that resources were available to match the needs of those plans. It was advised that the Schools Forum oversee the operation and finances involved.

It was reported that each saving proposal was considered in line with the Corporate Plan and the Council's overall direction of travel. It was explained that any proposal not congruent with those areas had been largely discounted as part of an earlier process. It was emphasised that the proposed budget was dynamic and challenges were being considered to ensure that the resources were in place and to gradually shape the organisation.

It was recognised that the Council would in time be operating a smaller organisation. It was reported that the initial stages of the Doncaster Talks had concluded and feedback was being developed in order to refresh Doncaster Growing Together. It was acknowledged that these proposals would be further reflected upon once the Council had received the settlement in December.

With regard to staffing levels and reductions to posts, a query was made in relation to Appendix D, page 33 and the savings of £69k within the Children and Young People's directorate. It was clarified that in terms of the 7 fixed term posts identified within the report, the service had undertaken a large fundamental review on how the service best structures its' resources around its functions (and this particular element was part of that wider review). Assurances were provided that it was unlikely that those reductions in posts would have a negative impact on the services ability to deliver against its priorities.

On a generic point, in terms of staffing reductions overall, it was reported that they had been managed through vacancy management. It was reported that the next round of VR/VER Scheme had been circulated to staff. It was noted that it needed to be managed carefully to ensure there was continuity of service. Continuing on the issue of staffing, it was asked whether the amount of staff included those employed within schools and if some of the reduction was being offset due to staff being employed in academies. It was noted that this would be the case, as when schools become Academies staff employed would be removed from the Council's payroll.

In relation to the target for reducing the number of children in care, it was asked whether it would be more beneficial to have a target against more preventable measures. In response, Members were advised that the numbers quoted were made available to illustrate where the savings would be coming from. Members were advised that the service did not have targets to reduce caseloads. It was advised that the Trust was working on a Children in Care Reduction Strategy. Members were informed that there had been a reduction from 593 children in care to 534 with a potential further reduction down to 500. It was explained that this was connected to significant investment from

the Council in two new 2 bedroomed children's homes for independent living, for which capital funds had been set aside.

Members were also informed about the Future Needs Placement Strategy, which through partnership working would bring about the safe reduction of children in care particularly those out of authority. It was explained that this would reduce the pressure on the Dedicated Schools Grant budget, which currently sits at £3.3m with the aspiration that this would reduce by £1.1m by bringing children back home or within the Doncaster area.

In relation to the two new children's homes known as Cantley 2 and 3, a query was raised with regard to how advanced the plans were for education provision for those children. It was stated that these were supported independent living provision of young people who were now leaving care and it was understood that the majority of those children would already be in the education system or in some form of training. Members were assured that if this was not the case, there was a wraparound service provision, which will support those young people.

Members were informed about the Winter Pressures Grant provided by the Department of Health to Social Care to provide for the winter but usually to respond to the increase in referrals from hospital to home. It was explained that the monies were not for environmental issues as there were no resources from central government for this and it was expected that this would be covered under the Council's normal resources through the Revenue Support Grant. It was added that the Council expected the Green Paper to be published, which would provide clarity on the long term funding and although it was anticipated that at that time this money will drop out.

It was questioned as the Council was moving more towards becoming a commissioning Council, to what extent its commissioning processes were fit for purpose. It was reported that as part of the top management review a few areas had been identified as requiring strengthening and commissioning is one of them. It was noted that the Director of Public Health was now the lead for commissioning across the Council and that work was currently being undertaken to consolidate all the commissioning arrangements for Children's and Adults to ensure that the resources were operating in a similar approach.

It was suggested that as this issue was such a crossing-cutting topic, this may be something for OSMC to look at for the future.

It was asked how much of the consultation had been taken into account and evidence gathered for supporting the Mayor's Budget proposals, as the process was not yet complete. It was reported that the Council was only at the beginning of the consultation process. Reference was made to the charging for Adult Social Care, which

required extensive consultation and once that consultation was completed, the outcomes would be then considered. It was noted that whilst this was in the proposal, more detail was required.

It was suggested that in relation to the more challenging proposals, that these be brought back to OSMC to provide Members with an update and outcomes of the consultation.

Reference was made to Out of Area Placements and it was asked what support had been provided to the new model called 'Demand Management-Local Solutions' considered at the Children and Young People Overview and Scrutiny Panel recently. It was reported that the pilot scheme looked at how partners worked together to provide better support to children and young people. It had been found that initial findings had been supportive although an evaluation was to be undertaken and once that was completed then the Council would be able to see how the scheme can be deployed across the borough and what benefits had been created. It was recognised that this was only one element of the Council's renewed focus on early intervention that stemmed across Health, Education and Social Care

A discussion took place with regard to the challenges and risks to the proposals in general. Members were advised that Officers had taken a balanced approach despite the significant savings having to be made alongside the £8.9m of additional pressures. In addition to the work around Children and Young People and Adult Social Care as discussed, reference was made with regard to the new Appendix G which provided information on spend in each service area which presented the other pressure for the Council to be cleaner and greener. It was explained that there were some changes to be made with regard to service delivery, although the Council was in a good place in terms of resourcing those service pressures whilst making the right changes to get the Council to where it wants to be in the future.

In light of the forthcoming deadline of the 31<sup>st</sup> October for Brexit, comments were sought as to whether Officers had anticipated any affects that may have on the pension scheme if there was to be a 'no deal Brexit'.

In relation to pensions, it was reported that because the equity had increased, this in turn had strengthened how the Council dealt with the pension scheme (of which it pays a contribution year on year). It was stated that even if there was a downturn in terms of a 'no deal Brexit', this would not immediately impact back on the Council. In terms of the general preparation for Brexit, it was reported that the Lead Officer for Brexit was the Director of Corporate Resources and the Council had established a cross team Doncaster approach to addressing the concerns.

Concern was raised about how a 'no deal Brexit' would affect

businesses and what impact it may have on the Housing Revenue Account in terms of the collection fund. Members were advised that in terms of the collections, this was managed through the collection fund which was process of buffering cash flow. It was advised that Doncaster Chamber of Commerce held a seat at the Brexit talks. Members were reminded that the Council had considered through scrutiny, the implications around Brexit and funding received from Government (of which majority of that monies the Council gave to the Chamber). It was added that the Chamber had recruited new staff and supplied new forms for businesses ready to complete with indications showing that Chamber business numbers were increasing.

A comment was made with regard to infrastructure and whether there were any potential liabilities in terms of unfinished projects where EU funding had been provided and in terms of any projects that may be on the horizon that may not go ahead because of Brexit. It was reported that most of the money the Council had received had been through the Sheffield City Region (SCR) and the Local Growth Fund which should not be affected, after which there would be another round of funding to bid into. In terms of the comment regarding the possibility of EU funding being cut on the 31st October 2019, it was stated that this would not happen as there was a programme in place over a period of years and funding would not cease. It was reported that the Council did not have a great deal of EU projects at present and the small projects that were in progress would continue to be funding until the project ceased.

Members attention was brought to Shared Prosperity Fund, which the Council were still waiting for guidance on how this may look like and how that will provide additional resources going forward post Brexit.

RESOLVED that:-

- (1) the Committee considered and noted the Cabinet report detailing the Medium-Term Financial Strategy (MTFS) for 2020/21 to 2022/23 attached at Appendix A;
- (2) the Committee commented on the savings proposals and budget framework detailed at paragraphs 28 to 34 of the Cabinet report setting out the Medium-Term Financial Strategy (attached at Appendix A), in accordance with the line of enquiry identified at paragraph 9; and
- (3) the Committee noted that there be further opportunities to consider and provide comments on the budget proposals, when these are formally announced by the Mayor in January 2020.
- (4) the Committee consider the outcomes of extensive consultation exercises as part of their ongoing consideration of the budget proposals.

	the Committee consider the proposed new commissioning arrangements as part of their future workplan	
4	<u>OVERVIEW AND SCRUTINY WORK PLAN OCTOBER 2019</u>	
	<p>The Committee considered the Overview and Scrutiny work programme for 2019/20.</p> <p>Each of the Panel Chair's provided the Committee with an update of areas their Panel was focussing on since the last meeting.</p> <p>A brief update was provided to Members on the work carried out in relation to the engaged and empowered communities and devolved locality budgets. It was explained that a review was being undertaken and that OSMC had agreed the Terms of Reference. Members were informed that further benchmarking had taken place through visits to other Councils and work had been undertaken on the LTP and Ward Alliance. It was noted that there would be further meetings being arranged as part of the review and updates would be circulated in due course.</p> <p>The Chair wished to thank all those who attended Barnsley Council and informed Members that its' intended for a further visit to take place to Nottingham for evidence gathering and would encourage Members attendance.</p> <p><u>RESOLVED</u> that:-</p> <ol style="list-style-type: none"> <li>i. Consideration was given to the Overview and Scrutiny Work Plan for 2019/20 at Appendix A and noted that it is a living document and will be reviewed and updated at each meeting of the Panel to include any relevant correspondence, updates, new issues and resources available to meet additional requests; and</li> <li>i. Considered and noted the Council's Forward Plan of Key Decisions attached at Appendix B</li> </ol>	