

SCRUTINY MANAGEMENT BOARD

Minutes of the meeting of the Scrutiny Management Board held on Friday, 19th September 2014 at 10.30 pm in Meeting Room 7, Darby House, Telford

PRESENT: Cllrs. D. White (Chair), A. McClements, C. Turley

IN ATTENDANCE: R. Partington, Managing Director, Telford & Wrekin Council, F. Bottrill, Scrutiny Group Specialist.

SMB-1 MINUTES OF THE LAST MEETING

RESOLVED – that the minutes of the meetings of the Scrutiny Management Board held on the 16th May 2014 be confirmed and signed by the Chairman.

SMB-2 APOLOGIES FOR ABSENCE

Cllr. V. Fletcher, C. Mollett, S. Reynolds

SMB-3 DECLARATIONS OF INTEREST

None

SMB-4 STRATEGIC VISION FOR THE COUNCIL

The Chair welcomed the Council's Managing Director and asked him to set out the strategic vision for the Council. He also asked him to respond to the reports in the press about the 1 million budget deficit.

The Managing Director said that the media reports on the Council's budget were inaccurate and that the Council's budget had been agreed and this set out the savings of 22 million to be made over 2 years. The budget papers clearly set out that there was 1 million still to be identified. This will be managed as part of the budget process and is not a 'black hole'.

He set out the key issues for the Council as:

Finances – the grant cuts will be larger and longer than initially announced and there is an ongoing impact of inflation, both general and specific.

Supply and Demand Issues – the demand for adult social care continues to increase. He gave the example of care for the elderly mentally ill where there is a shortage of places which pushed up the cost of this care NHS Continuing Healthcare funding was not yet close to national averages but there has been

some improvement in this but not enough as yet. Benefit Sanctions are also an issue.

Service Pressures – Highway maintenance is increased by the wet summers and colder winters. Residents' expectation of environmental services is high, there are pressures on safeguarding and cohesion services, and youth unemployment is higher than the national average. Employee costs – employees have experienced a real terms 19% pay cut through the national pay freeze over the past 5 years and job security and opportunities for career advancement have reduced. Staff have left the organisation which means that succession planning is important and work continues on Single Status.

The Managing Director set out the overall budget position - up to 2016 there will have been over £70m of savings made since 2009. There will be difficult decisions after 2016. Between 2016-18 another £20 million + will have to be cut.

The Managing Director explained how the Council had made savings between 2010 and 2014:

- 1151 posts have been cut
- 658 posts have been made redundant (607 voluntary redundancies and 51 compulsory redundancies)
- 50% reduction in senior managers
- More than £20 million saved in salaries
- Staff are redeployed where possible – there have been 2000 posts redeployed
- £7million back office function (40% reduction)
- Rationalising buildings – 33% reduction, saving £2m pa
- Procurement – this is improving across the board e.g. adult and children's services, waste and highways

He set out further work that will improve the Council's additional financial position:

- New housing will generate income through Council Tax of £1.5 million
- NHB (New Homes Bonus) will bring in £3.4m in income
- £3.1 million from new or expanding businesses in the Borough in Business Rates.

He outlined the priorities agreed by the Council and gave examples of how these were being delivered.

The Managing Director said Telford is seen as an example of good practice and had been the only English Council invited to the Welsh Local Government Association event to outline its strategy for dealing with Government cuts.

He set out some of the themes that the Council must consider are when developing the strategy:

- Reviewing, reimagining, reinventing & reorganising
- Challenging and changing the way we do things
- Reducing our dependency on Government grants
- Focusing on 'upstream solutions' to manage and reduce demand for services

This work is underpinned by:

- Our Co-operative Council ethos
- Modern Practices -
 - Employees (terms/Conditions/Ethos)
 - Ways of working (mobile/home/cloud)
 - Making every contact count
 - Communicating & engaging

The Board discussed a number of issues with the Managing Director including:

- The need for the Council to reduce dependency on Government Grants beyond 2016. A question was asked about the level of service the Council will be able to provide. The Board was informed that the budget strategy for 2015/16 is relatively straightforward. But 2016/17 will be more difficult as another £10-12 million savings will be needed and further savings will be required on 2017/18. Integration with the NHS offers opportunities to improve services.
- The need to maintain morale of staff and if the Managing Director would continue to meet with staff. The Board were informed that more meetings with staff are planned.
- Concern was expressed regarding the cuts in Adult Services, particularly that there was no appeals process for people whose care had been reduced and that savings targets should not be set and then cuts made to meet the target. The Board were informed that Adult Social Care savings across the Country have been between 12-20%. Adult Care Service in Telford and Wrekin will make the savings needed over 2 years. The management of the service has changed. The review by Capita found that the service in Telford and Wrekin was old fashioned. It was recognised that the costs for Adult Social Care increase every year. The Board was informed that on average an older person is in the care system for 2 years. A significant cost pressures for Adult Services comes from young people who are leaving children's services which has a different legal framework.
- The need to ensure that support is provided to families at an early stage to prevent increased costs to Children's Services e.g. though Special Education Needs Tribunals brought by families.
- The Shared Lives Scheme was commended but it was commented that if a person needs care some of the Disability Living Allowance goes towards the costs of care. However the individual keeps the Disability Living Allowance under the Shared Care scheme. The Managing Director said he would follow this up.
- The benefit of special guardianship was discussed.
- The Managing Director said that the distinction between statutory and non-statutory services is not necessarily a helpful one when making

savings. Services can be delivered in different ways and it should be about priorities. The Council must change and constantly challenge itself ensuring there are better contracts, better negotiations, leading and creating markets. The review of children's services found 80 front doors which is inefficient. Family Connect streamlines that and children's safeguarding is part of this. First Point for business is not a statutory service but supports local businesses and attracts business to Telford which is good for the area and the Council. There may be opportunities to share services where there is a good fit. Joint work being developed with the NHS through the Better Care Fund. Town and Parish Councils work jointly on the Parish Environmental Teams where enquiries have halved. Children and Adult Services have a national and regional procurement frameworks and West Mercia Energy saved the Council money.

- The solar farm will make £4.4 million profit. In this year it will be £20k profit, with £160k in a full year.
- The Board commended the work undertaken to ensure that the Council is business focussed. The Board was informed that the business approach is based on co-operative public service values. There are a lot of examples where the Council already manage businesses e.g. the Council already trades with schools. As the business approach is developed there may be opportunities to employ more people.
- There is no limit to the amount the Council can borrow as long as it is done prudently. It is important that growth in Telford is planned so that it remains an attractive place to live and work.
- The Council's treasury management has been a success.
- The need to communicate effectively and use the website and digital media. The importance of managing 'upstream' services e.g. the work that Scrutiny had done to develop the befriending service for older people. The Council must encourage people to access Council services in the most efficient way e.g. getting information through the website, paying by direct debit and using the Everyday Telford App. There have been 2,400 downloads of the App, 1450 registrations and 5,257 reports using the App. It was explained that communication and engagement with the public should not rely on one method. 'Your Voice' goes to 70,000 homes and the Citizen's Panel reported that the Insight magazine is the main way that people get information about the Council and that the Shropshire Star is second. The Board recognised the importance of line communication but it was noted that personal interaction is also important. There was a request for Members training on social media.
- The importance of recognising the work of volunteers and Council staff. E.g. ensuring that the issues identified by Street Champions are picked up.
- The importance of the work of the Crisis Network and the Foodbank was highlighted. The work of staff is recognised through the Managing Director Commendation and the flexi deal and online training.
- The best pieces of Scrutiny Work had been carried out along side the service to develop policy. Scrutiny should have a sharper focus. and as the capacity of the organisation gets thinner scrutiny can help find improvements. It will be difficult to hold on to the current Scrutiny

resource.

The actions from this discussion were:

- The Managing Director would follow up the issue of Disability Living Allowance and the Shared Lives Programme
- The Managing Director would continue the programme of meetings with staff
- Follow up on request for social media training for Members.

SMB-5 SCRUTINY OF 2015/16 BUDGET PROPOSALS

The Scrutiny Group Specialist presented the report and asked the Board to consider the principles for budget scrutiny set out in Section 4 of the report and the options set out in Section 5 of the report. The Board agreed with the principles but did not decide on the process as this will be determined by the Budget and Finance Scrutiny Committee after the administration and any alternative budget proposals have been presented to a meeting of the Scrutiny Assembly.

It was agreed that the Scrutiny Group Specialist will contact Group Leaders and the relevant officers to request detail of the timescales for the publication of the budget proposals.

RESOLVED:

- a) That the scrutiny of the budget proposals will be carried out inline with the principles set out in the report
- b) That following a presentation of the administration and alternative proposals at the same meeting of the Scrutiny Assembly the Budget and Finance Scrutiny Committee will meet to agree further Scrutiny of the proposals.

SMB – 6 SCRUTINY WORK PROGRAMME FOR 2015/16

The Scrutiny Group Specialist presented the report. Members recognised the need to review the work programme due to the temporary reduction in Scrutiny Support. The Scrutiny Group Specialist informed the Board that it was likely that interviews for the vacant post will take place in mid October.

RESOLVED:

Priority issues for the Scrutiny Work Programme:

Joint HOSC

Supporting the work of the Joint HOSC Chairs

Joint HOSC meetings to consider Future Fit 1 proposals and progress of Future Fit 2

Health and Adult Care Scrutiny Committee
Scrutiny of Adult Care Budgets and Savings (Joint with Budget and Finance)
The Review of the Alcohol Strategy

Co-operative and Community Scrutiny Committee
Review of Benefit Sanctions

Children and Young People Scrutiny Committee
Review of Youth Unemployment
Committee Meeting on 4th November - School Improvement , Children in Care
Dashboard , Parents taking children out of school

Scrutiny Management Board
Meeting 14th November - Telford Housing Options, Housing Allocations Policy

Budget and Finance Scrutiny Committee
Planning the process for scrutiny of the 2015/16 budget proposals

Supporting the Lead Scrutiny Members as Chair of the West Midlands Scrutiny
Network

SMB- 7 CHAIR'S UPDATES

This item was cancelled due to a lack of time.

The meeting ended at 1.15pm.

Chairman:

Date: