

Finance & Enterprise Scrutiny Committee

Response to the Service & Financial Planning 2016/17-2017/18

The Finance & Enterprise Scrutiny Committee is a politically balanced committee of eight non-Executive elected members and two standing co-opted members. The Committee is the main mechanism by which Cabinet consults annually with scrutiny on the budget proposals.

The Committee held five meetings between 6 January and 3 February to scrutinise the Service & Financial Planning 2016/17-2017/18 (budget proposals) agreed by Cabinet for consultation on 7 January and alternative proposals put forward by the main opposition group. The Committee has made a separate response to the alternative budget proposals.

Scrutiny of the adult social care budget was carried out jointly with the Health & Adult Care Scrutiny Committee and scrutiny of children's services proposals was carried out jointly with the Children & Young People Scrutiny Committee so that issues identified through the work of other Committees could be considered and inform discussions. However, the formulation of responses to the budget proposals remained the exclusive responsibility of the Finance & Enterprise Scrutiny Committee.

The Committee would like to thank Cabinet members and officers who attended meetings to respond to the issues raised;

Cllr. Lee Carter, Cabinet Member Finance & Service Delivery
Cllr. Liz Clare, Cabinet Member Leisure Services & Culture
Cllr. Arnold England, Cabinet Member Adult Social Care
Cllr. Richard Overton, Deputy Leader and Lead for Housing, Public Health & Protection
Cllr. Paul Watling, Cabinet Member Children, Young People & Families
Richard Partington, Managing Director
Clive Jones, Director Children's & Adult Services
Paul Taylor, Director Health, Wellbeing & Care
Angie Astley, Assistant Director, Customer & Neighbourhood Services
Ken Clarke, Assistant Director, Finance & Human Resources
Jim Collins, Assistant Director, Education & Corporate Parenting
Jonathan Eatough, Assistant Director, Legal, Procurement & Commissioning
Liz Noakes, Assistant Director, Health & Wellbeing
Richard Smith, Assistant Director, Early Help & Support
Tracey Smart, Finance Manager (Schools & Care Services)
Kathy Swallow, School Organisation Services Manager

The Committee would also like to thank all officers involved in preparing written responses to the Committee often at very short notice.

The budget report sets out the headline figures: national cuts to the Local Government departmental budget (53% over four years) and the impact on Telford & Wrekin's budget (20.87% cut in Revenue Support Grant for 2016/17; £30.7m savings required over the next three years in addition to £80m cumulative annual savings already made). A key message was that the extent of the continued grant reductions meant that the Council had now reached a critical point where it was necessary to look at making savings from front line services. The budget contained almost 200 savings proposals, 32 of which were highlighted as areas with the most significant impact on service users.

In this context the Committee this year focused its attention on the following key areas:

1. The savings proposals highlighted as having the greatest impact on service users and members of the public. The Committee also considered cumulative impact of service cuts on particular localities.
2. Staff related savings which may impact on the organisation's capacity to deliver services
3. Other savings proposals
4. The communication and budget consultation process

The sections below summarise the outcome of the Committee's work. The Committee has made a number of recommendations which they would like Cabinet to consider before agreeing the final proposals to put before Council.

1. Savings highlighted as having the greatest impact on service users

Adult Social Care Service Review / Redesign (savings proposal 188)
Cllrs. Burrell and Evans declared an interest as employees of care providers and did not take part in discussions on the adult care budget or the formulation of the response.
Issues considered
The Committee considered the additional investment in the adult care budget and the proposed 2% increase in Council Tax for the adult care precept. Detailed information was provided about the redesign of the service, moving away from providing a managed service to a Direct Payments model, and the impact on savings and users. Responses were provided to a number of specific questions arising from work done by the Health & Adult Care Scrutiny Committee.
The Committee's response
<ul style="list-style-type: none"> • The Committee acknowledged as in previous years that adult social care is a key budget dependency and that funding adult care remains a national as well as a local issue • The Committee fully supports the increase in the adult care budget by £1.6m in 2016/17 to help phase in future cuts and the imposition of the 2% increase in Council Tax for the adult care precept • The Committee acknowledges that implementing the new model and moving towards a direct payment model is a journey and that the Health & Adult Care Scrutiny Committee will continue to monitor progress and delivery of savings. <p>The Committee recommends: That it must be clearly communicated to the public that the 2% increase in Council Tax for the adult care precept is not enough to make up the deficit in the adult care budget and that the money must be ring-fenced for adult social care.</p>

Library Services (savings proposals 34-41)
Issues considered
This was a key concern for the Committee given the direct impact on the library users. The Committee considered the breakdown of costs and how the savings would be made up; usage, including of the mobile library; the process for consulting on the future provision of the library service.
The Committee's response
<ul style="list-style-type: none"> • The Committee was clear that it did not want to see the libraries closed and welcomed the approach of taking the savings from 2017/18 to allow time for consultation with partners to secure the future of the service.

- The Committee acknowledged the fact that the Council has continued to support the library service until now when other authorities cut the service years ago and the necessity of making the proposals in the current financial climate.

The Committee **recommends** that:

1. Consultation on future library services must take account other local facilities and services so that wherever possible libraries benefit from co-location and shared resources. It is more likely that usage will increase where people use a building for more than one purpose.
2. The cessation of the mobile library service is reconsidered. The Committee feels it does not make sense to sell the vehicle so close to the expiry of the lease and that consideration should be given to how the vehicle could be used in future to fill gaps in the library service (perhaps supporting nurseries or care homes or rural areas) or with other roles such as a mobile First Point.
3. The proposal to cut the book fund by 50% should be reconsidered. If the libraries are saved by other organisations taking over the service they need to be supported with new books and e-books to help ensure their success.
4. A mechanism is developed to ensure the book fund is fairly allocated.
5. Decisions about the libraries should take account of the needs of users who may not be recorded for monitoring purposes, for example people who use reference books for studying but may not be recorded because they do not borrow or use the computers.

Public Health (savings proposals 169-187)

Issues considered

The key issues considered were the impact of reduced funding on smoking cessation services, the NHS Health Check Programme, Drug and Alcohol Services, STI sexual health services, breastfeeding and children's 0-5 services.

The Committee's response

The Committee agreed that the proposals are well thought through and coherent.

The Committee **recommends**:

That consideration is given to suggestions put forward at the meeting on 27 January relating to the role of pharmacies in the provision of out-of-hours smoking cessation programmes and NHS Health Checks, and to analyse supervised consumption payments to identify waste.

School Transport Policy (savings proposals 157)

Issues considered

The key issues for the Committee were how the significant level of savings projected would be delivered and whether the proposed changes would have a disproportionate impact on rural communities and faith groups.

The Committee's response

- From the evidence received the Committee was assured that no children currently receiving free home-to-school transport under the Council's statutory duties would have their entitlement removed, and that any changes to the discretionary elements of the

policy would affect only a small number of children and would not disproportionately impact on children in rural areas. The Committee suggested that the wording on the proposal could lead people to believe that the changes would impact on a significant number of people which evidence showed was not the case.

- The Committee was assured that significant progress had already been made toward achieving the savings target for year 1 and that the majority of the savings would come from providing services in different ways and driving efficiencies through the commissioning process.

Children's services (savings proposals 152, 163, 169)

Issues considered

The Committee considered responses to questions from the Children & Young People Scrutiny Committee on the impact of reducing the budget for preventative services, short breaks and youth clubs. Responses were also provided to specific questions arising from the Children & Young People Scrutiny Committee's review of Multi-Agency Working Against CSE.

The Committee's response

The Committee supported the approach around early intervention for Supporting Families and work that was being done with partners to mitigate the impact of cuts and to find alternative solutions. The Children & Young People Scrutiny Committee will make separate recommendations in the report on CSE.

Stop providing borough markets (savings proposals 73)

Issues considered

The committee was concerned that the savings were relatively small but that the closure of the markets could have a significant impact on the local traders and economy.

The Committee's response

The Committee welcomed the fact that the savings would not be taken until 2017/18 to allow time for consultation with Town and Parish Councils or to look at alternative models of funding to continue the markets.

Increased income from burials (savings proposal 7)

Issues considered

The committee was concerned about the increase in cost for low income families and felt that the equalities impacts had not been adequately addressed.

The Committee's response

- The Committee was assured that there were low cost burial options and that the cost of burial in Telford and Wrekin is lower than in neighbouring areas
- The Committee has been assured that the Equalities Impact Assessment would be revisited to inform the decision in the final budget report

Transport to Age UK day centres (savings proposal 193)
Issues considered
The committee was concerned that the move to full cost recovery may make the service unaffordable for some vulnerable people who rely on the day centres which are part of the preventative services. The Committee received information that work was being done with Age UK, partners and local people to explore alternative options, including a volunteer scheme.
The Committee's response
The Committee recommends : That savings from this proposal are deferred until 2017/18 to allow time for work to be done with Age UK, partners and service users to find solutions which are affordable.

Cumulative impact of service cuts
Issues considered
The Committee was concerned that the proposed cuts to services may have a greater cumulative impact on some areas. Members were also concerned that consultation would be happening on the high-impact service cuts and were concerned that consultation should be joined up between services and with partners and communities.
The Committee's response
The Committee recommends : <ol style="list-style-type: none"> 1. That a geographical impact assessment of the cumulative impact of the budget proposals is carried out. 2. That consultation should be carried out with partners and local communities on a locality basis so that existing services and assets can be identified and opportunities for joint working, sharing amenities and resources and co-location of services can be maximised. This would include services affected by the budget proposals such as libraries, community centres, youth clubs and preventative services. Donnington is a good example where there are opportunities to co-locate the library with the community centre and Lifelong Learning Centre. The review and consultation should also take account of the Town Park Visitor Centre.

2. Staff related savings

SMT restructure (savings proposal 106)
Changes to staff terms and conditions (savings proposal 102)
Issues considered
The Committee was concerned that the continued reduction of senior managers would impact on capacity to continue to manage services safely.
The Committee's response
<ul style="list-style-type: none"> • The Committee agreed that they had been assured by the Managing Director that the reduction in SMT posts was part of a coherent staged strategy over the past 18 months and that the right structure was now in place to lead the organisation forward. • Further, Members were assured that in restructures the needs of the business come first. • The Committee agreed with the Managing Director that staff had shown enormous

creativity and innovation when it came to thinking about alternative ways of doing things that would save money.

- The Committee felt that elected Members have a responsibility to know about changes in staff terms and conditions but accepted that staff should be briefed on changes first.

Single Status (savings proposal 103)

Issues considered

The Committee wanted greater clarity on the timetable for implementing Single Status and the risks around withdrawing funds from the Single Status pot.

The Committee's response

The Committee accepted the assurances given that with the reduction in the workforce the Single Status budget could be reduced by £100k without significant risk. Members also accepted the assurances that it would not be prudent to reduce the budget further.

The Committee **recommends**:

That all efforts should be made to resolve Single Status as soon as possible.

3. Other savings proposals

Reactive highways maintenance (savings proposals 28)

Issues considered

The Committee was concerned about the proposal impacting on road and pothole repairs which are key concerns for members of the public. The proposal was to move to a risk based response to enable contractors to programme non-hazardous repairs more efficiently which would allow for longer response times. The response time for hazardous defects would remain within 24 hours.

The Committee's response

The Committee **recommends**:

That a further report is brought to scrutiny once the new model has been developed.

Lighting energy from Invest to Save – LED replacement (savings proposals 29)

Issues considered

The Committee's key concern was the capital cost of replacement LED lights when old lights were still working. The Committee considered the Invest to Save business case and energy savings made in other areas from LED lights.

The Committee's response

The Committee supported this proposal on the basis of the projected savings from reduced energy and maintenance costs particularly as the condition of many of the old concrete columns is now deteriorating. However, lamps must be adjusted so that light is evenly diffused along a stretch of road to avoid bright and dark patches, and the brightness of lights must be adjusted to take account of public safety and any customer complaints

Photocopying (savings proposals 58)
Issues considered
The committee was concerned that the ability to print in colour would be removed when it is necessary for planning documents.
The Committee's response
The Committee agreed that black and white should be the default option but have been assured that the option of colour printing would still be available for documents where colour may be necessary such as planning or building design.

4. The budget communication and consultation process

Communication and Consultation Plan
Issues considered
The Committee considered the Communication and Consultation Plan for consulting on the budget proposals and the number of responses to date. At the time of the scrutiny meeting the consultation was still open and it was not possible to provide an analysis of the feedback.
The Committee's response
<ul style="list-style-type: none"> • The Committee applauded the efforts that had gone into the Communication and Consultation Plan to raise awareness and give members of the public every opportunity to put forward their views. In particular the Committee felt that holding road shows in places where people congregate, such as the bus station or supermarkets, was the right approach. Members also felt the videos on social media were a good way of communicating. • It was noted that information presented at consultation meetings was clear and easy to understand and that there was a greater sense of consultation. • The Committee was pleased to note that the number of responses as of 2 February (2,124) was higher than the total number of responses in 2015 (1,608) and the final number would be higher. This was attributed to the fact that the consultation built on previous consultations, the approach of going out to where people are and the fact that the budget was proposing cuts to services and therefore likely to attract more comment.

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