

NOTES OF A MEETING OF THE JOINT CHAIRS AND VICE-CHAIRS STEERING GROUP – SCRUTINY, AUDIT AND DEMOCRATIC SERVICES COMMITTEES

24 JANUARY 2014 – COMMITTEE ROOM A, COUNTY HALL, LLANDRINDOD WELLS

PRESENT: County Councillors R.G. Thomas (Chair).

County Councillors W.T. Jones, Mrs M Mackenzie, E M Jones, A.W. Davies and Mrs S.C. Davies.

Officers:

David Powell (Strategic Director - Resources), Paul Griffiths (Strategic Director – Place), Amanda Lewis (Strategic Director – People), Nick Philpott (Director – Change and Governance), Peter Jones (Programme Office Manager), Wyn Richards (Scrutiny Manager), Liz Patterson (Scrutiny Officer), Susan Simpson (Partnership and Policy Manager).

1. Apologies

County Councillors - County Councillors J.G. Morris and Mrs M. Mackenzie (p.m. only).

Officers – Jeremy Patterson (Chief Executive), Lisa Richards (Scrutiny Officer).

2. Notes of Last Meeting

Documents Considered:

- 29th November, 2013

Outcomes:

- **Received**
- **Scrutiny Manager to follow up on provision of guidance to Members on “Have Your Say” process.**
- **Item 9 – Scrutiny review Protocol – Scrutiny Manager to discuss revised protocol with Leader.**

3. Scrutiny of the Draft Council Budget.

Documents Considered:

- Briefing Note and attached documents.

Issues Discussed:

- Update provided by the Strategic Director – Resources.
 - 4.5% reduction in funding. Position would have been worse except for safety net, otherwise Council would have been £1.6m worse off.
 - Average Council Tax increase across Wales seems to be in the region of 4%.
 - Powys has a £20m savings requirement by April 2014. Savings for the following 2 years would be a further £20m.
 - The Council has taken a pragmatic view of the budget, and will need to take a more strategic view for the future. Planning assumptions for an increase in Council Tax is a 2.2% increase subject to the budget proposals.
 - Tuesday 28th January – Cabinet received feedback on public consultation exercise.
 - 25th February – Council to set the budget, to take some risk out of the process.

- 5th March – Council tax to be set based on the approved budget.
- £2m gap in current proposals for savings to be found. A 1% rise in council Tax raises £518,000.
- Some of the pressures in the system being considered e.g. inflation which could be taken out – this needs to be undertaken on a risk basis.
- There is a need for an adequate budget for adult social care as there will be a deficit this year.
- Heads of Service will present delivery plans to management team including Equality Impact assessments next week.
- Currently there is not a balanced budget and the changes are very challenging.
- Problem for Council is timescale to achieve savings by 1st April. Question was raised whether some of the reductions would be “borrowed” from reserves and paid back – this is an option which is being considered. However “borrowings” would need to be paid back in future years.
- Council has done well this year in achieving its savings targets.
- Will be more difficult for services to pay back to reserves and make additional cuts as well. If cuts could be made without using reserves this would be the preferred option.
- Adult Social Care – will be some growth but there will be a need to make cuts as well. Will be a need to reassess where the Council spends its funding in future and some services will not be sustainable. It may be that the Council will not employ people for all services. There will also be a need to look at the Williams Commission proposals on shared services / integration with health.
- There will be a need to look at the risk assessment of what is provided. Also the Council will need to prioritise which services it can provide and what is provided elsewhere.
- The Strategic Directors People and Resources and the Management Team have commissioned detailed work on whether the Adult Social Care budget is adequate for the future. The work has concluded that there is a need for change in the way that Adult Social Care is delivered. The evidence indicates that even where changes are made e.g. reablement, domiciliary care etc – given the changing demographics there will still be a need for the existing budget in the next 2 to 3 years.
- The Joint Chairs view is that the use of reserves should be as a borrowing only.
- The Williams Commission report has suggested the merger of the Council and PtHB (Powys teaching Health Board) – when does this need to be considered in relation to the budget?
- Job evaluation – what impact has this had on the number of people employed and jobs reduced, what is the impact on the budget and service delivery?
- Public engagement.
 - 6 public sessions held with an additional session at Knighton. Over 1000 surveys have been returned which are being analysed.
 - Joint Chairs concerned that there could be little opportunity for comment on the public consultation exercise due to timescales involved. Hopefully this would be improved for next year.
 - 113 people attended the workshops and 250 attended the drop in sessions.

- **Detailed Comments on the Draft Budget Proposals:**
- Public Consultation.
 - More detailed information required for future consideration of draft budget by Joint Chairs.
 - Public consultation does not mean that the Council will not make those changes proposed. Services should take account of what's said by the public and re-evaluate proposals. The Council should be more careful about comments it makes about the impact of public consultation in future.
 - Difficult for the public to complete a paper copy of the survey as they need more background information on the options, although officers were surprised as to how aware the public were of what is going on.
 - Some elements of the public consultation should have been undertaken differently e.g. respite care in Ystradgynlais – public should have been made aware of this prior to the consultation exercise.
 - The strategic planning process needs to commence sooner e.g. as soon as the One Powys Plan has been signed off. The consultation on the One Powys Plan and the budget need to be linked together in future, although the consultation undertaken this year is far more than undertaken previously.
 - The Cabinet should note the public consultation comments. However the Equality Impact Assessment should have a greater weighting than the public comments. Public consultation is a part of the process which is a factor on which the Council needs to take a judgement.
- People.
 - The proposals were considered by Management Team in December – some of the proposals relate to specific services and some are transformational change.
 - Management restructure – a significant number of posts will be taken out of the structure – will be an all Powys structure rather than a geographical structure.
 - Changes to eligibility criteria – focus will be on earlier intervention and a better point of access to signpost people to services which should be in place by July 2014. Those with a moderate need will obtain services from elsewhere.
 - Will be a cap of £510 per week on domiciliary care – with discussions with individuals about their service choices.
 - Changes to Domiciliary Care – move to a more contractual basis. Much of this service is already provided externally.
 - More controversial aspects – provision of Meals on Wheels and Day Care provision – the question is around what is the alternative provision and how this is sold to people i.e. community provision / befriending services. However some people may still need a day centre provision.
 - Meals on Wheels – the current approach is not equitable and consistent across the county.
 - If people have an assessed need and they cannot afford the service (over and above the cap) then they will receive a service. Welsh Government are to legislate on eligibility criteria.
 - Day Centres – a review has commenced as to service options. There is a need to move away from a building based service and look at individual services based on needs. It could be that the Council uses its assets in a different way to make best use of them. There is also a need to look at future need.

- Meals on Wheels – are meals provided by Domiciliary Care accounted for in the savings – yes.
- Page 8 – some options are either / or – are the savings options included in the overall savings totals shown on the sheets – Strategic Director – Resources to check this.
- With the cap on Domiciliary Care this could impact on the demand for care home places – has the Council enough places to meet the demand – some of this is an issue of geography – do we have care home places in the right geographical locations?
- Social Care do not pick up health needs in care assessments – there is a need for a joint assessment of needs with health.
- Day Centres – proposals are for an alternative service – concern that Members and the public do not have a clear picture of what the new service will look like – this may have led to some of the public comments as they did not know what the alternatives looked like – Members and the public need to be reassured as to the alternative proposals.
- Adult Social Care requirement is probably a reduction of £10m rather than £7m. However there was little time to develop these plans. There is still an opportunity for the Strategic Director and her team to explain the alternatives and there is a need for the alternatives to be costed.
- Links with Health and the payment of some costs – how far is the Council in the discussions with health. Discussions with health are ongoing – the best scenario is to move to joint budgets and a joint integration of service delivery under Section 33 agreements. There are 3 main areas where S33 agreements were signed off before Christmas 2013. There are 2 areas where Social Care are providing services which are health services. This is about ensuring that the correct percentages are paid for by each organisation. What is the risk to the Council is these savings cannot be delivered? – if they cannot be delivered there will need to be alternative proposals.
- Will S33 agreements be sorted quicker. The Williams recommendations should increase the pace and simplify processes. Experience of working between health and the Council should assist this. There also needs to be government legislation to overcome some of the issues in integrating health and the Council.
- Should the savings of £200k (P9) be split over a few years to reduce the risk? There is already pressure in the system regarding alternative provision. If alternatives were suggested now this could lead to capability issues to deliver those options and cause other risks for the Council.
- Impact of staff reductions e.g. advice services – how will this impact on an increase in demand for these services?
- Reablement reductions – are these included in the staffing savings?
- Moderate Services – is this for new service users only – if so will this reduce the amount of savings.
- There are risks and capacity issues relating to staffing reductions – the cabinet has agreed that Domiciliary Care should move to a greater external provision. Reablement service changes depends on the changes to the Domiciliary Care Service. With regard to Advice and 3rd Sector provision, the Management Team needs to take a holistic view to manage the impact of the changes.
- Children.
 - This is the outcome of the strategy built up over the last few years. There is an underspend for the second year – from a sustained reduction in the

- number of looked after children. This is primarily a reduction in the budget and this is a sustainable position which does not jeopardize service provision.
- £600k is being taken from a budget saving of £800k for the past 2 years.
 - Cross service impact with Education – is there an assurance that these impacts have been taken into account in discussions with Education on the proposals for ALN (Assisted Learning Needs) – that assurance was given.
 - Deletion of risk assessor post – is this the right time to be doing this and transferring the work to social workers? The risk assessor’s role is being integrated into other people’s roles.
 - Legal budget – the overspend which occurred previously was overcome with the provision of additional legal staff.
 - Housing.
 - What the Council can influence is less in this area as the funding is within the Housing Revenue Account (HRA). There is a need to restructure the service and delay it. There is also a need to transform the service e.g. linking the Housing Maintenance and the Council’s Facilities Management Services.
 - Review of grounds maintenance provision on estates – there is an ongoing review of the grounds maintenance contract – Strategic Director to check.
 - Rural Housing Enablers – is there a cross service impact – Strategic Director to check this.
 - Will the tables where there are question marks be populated before the proposals go to the Council – these are proposals for 2015/16 which are being prepared.
 - Place.
 - Approximately £5.3m savings have been identified.
 - There is a history as to how the current position has been reached but savings have been made along the way.
 - What is being undertaken is to drive down the costs of services by efficiencies. Where additional efficiencies cannot be found then a transformation or withdrawal of a service will be considered.
 - Pest control – the service is currently being provided by the Council – the proposal is to withdraw the service.
 - Pre-planning service – on what basis has the £30k been estimated? There is no policy here which is required to provide some context – previously this was geared towards large businesses rather than all businesses.
 - Officers cannot move forward with this without consistent Member decisions. This is an estimate subject to a Member decision on policy. There is no guarantee that the saving can be found. The question is whether it is right to pass some of the costs of providing a service back to businesses. If savings here have to be found from elsewhere then there are other risks. The Joint Chairs suggested a need for a strategic policy is required.
 - Disposal of workshop units – previous workshop policy has not been implemented. If the policy to recover costs is not implemented the sale value to the Council will be lessened.
 - The recommendation was to bring workshops back in house as the previous contract was not delivering. The plan is also to review workshop provision. Some workshops are in places where they are not productive and not servicing the needs of the Council. These could potentially be stripped out and there could be savings in 2015/16. The same comment applies to County Farms and other premises. A strategy will come forward but there needs to be a consistent political view on this.

- Withdrawal of funding from Tourist Information Centres (TICs) – this is around £70k not £12.5K – the £70k is for all TICs, £12.5K is for some TICs only. There is a need for a political view as to the Council's involvement in tourism.
- Business grants – are these capital rather than revenue? Business grants are currently in the revenue budget. However the Strategic Directors Place and Resources are considering if some of the elements can be capitalised which would take the pressure from the revenue budget. Other grants are in the capital budget but there is scope to be more creative as to what can be capitalised. If this cannot be sorted out, there would be an additional call on the revenue budget.
- Wyeside caravan park – why is this such a low saving. This is just the revenue cost of providing the service. The proposal is for a saving in 2015/16.
- Brecon Museum project – will this be designed to include other services? A meeting was being held regarding the Brecon cultural hub to discuss service provision within the new facility including the TIC, customer services etc. It will need to be realised that it would be a much reduced TIC provision in Brecon. The proposals for other TICs would be not to grant fund them in the future.
- Some of the proposals are hypothetical with no business case / market research. The Strategic Director was confident that some aspects e.g. training, could be delivered based on what is provided now. Other aspects would require political direction and are currently ideas – if agreed by Members would require a business case to be developed. Other elements e.g. Leisure and Recreation were not designed to be implemented until 2015/16. In relation to training the Council has to provide training which could be procured from elsewhere, but would be at a higher cost, and therefore can be delivered to others to lower those costs of providing that training.
- Youth Service provision, theatre, museums, libraries – there was concern regarding the types of communities which would be left for children. What is trying to be achieved in the strategy is to deliver services in a different way, with a reduction in universal services. However those changes would be mitigated by other services to ensure that those in greatest need are covered, with links made to the Strategic Director – People's teams to provide other services such as outreach.
- Highways.
 - Waste Collection - £500k and £300k – both aspirational with no proposals behind them or service / citizen impacts.
 - Transport transformation £2m – no proposals here either – tenders are currently due. This has an impact on other services and could have an impact on rural communities. The Cabinet previously decided to protect rural communities at the expense of towns.
 - Trade Waste – e.g. collection of waste from Builth Market and potential transport costs – are managers looking constantly at the way the Council is working to try and reduce costs?
 - Reduction in mileage allowances – this would be a reduction in the numbers of journeys.
 - Charges for parking permits – this was being developed. It was questioned as to whether this included schools / leisure centres and what would be the knock on impact. There was also a need to ensure that savings were

realised e.g. Members ability to charge parking costs back in travelling claims which would not result in a saving.

- Schools.

- Schools will pay for services they currently do not pay for / or be subject to an increase in charges – this will impact on the delegated budget. Although there is an uplift protection for schools of 0.9% there will be some pain for schools due to increased costs.
- Post 16 transport – this will have a knock on effect on school budgets – there will be an impact on the numbers of teachers which will need to be reduced.
- HR service reductions and impact on schools – insufficient numbers of HR staff to assist schools to enable them to make redundancies and therefore schools will be unable to reduce staff and make budget cuts by 1st August deadline for redundancies. Charging schools more for services will not assist budgets either.
- Impact on schools with budget changes could drive the modernisation process with smaller schools becoming unviable. Formula changes will also have an impact. Budget changes could significantly increase the number of schools in deficit.
- A clear strategic plan is required for the way forward with schools which ties into the budget proposals. Some of these issues should have been addressed earlier.
- Insurance responsibilities – if schools do not take out employee insurance cover or cover this in the school budget, could be a significant cost falling on the school.
- ALN proposal is not based around a cost saving, but it is about a reorganisation of the service across the Council.
- Post 16 transport – will the savings be realised, will parents transport their own children?

- Change and Governance.

- 99% of costs are staff costs or costs of purchasing.
- Approach is around collaboration with other services therefore reducing the number of staff delivering systems specialist system; up-skilling staff to deal with more matters; customers doing more for themselves e.g. websites; also looking at 3rd party spending.
- ICT systems – housing systems – difficulty in extracting reports – raised at the Audit Committee. Audit Committee suggested an internal / scrutiny review of this matter. Local government previously was well known for purchasing bespoke systems. Councils now moving to more common systems encompassing many service requirements. It was suggested that the Director discuss the issues with the Chair of Audit / Audit Committee initially.
- Transfer of services to libraries – does this link with the long term future of libraries? Co-ordination is required with the libraries review even though the cost savings fall in 2015/16.
- Members' ICT support – larger core of ICT staff to be used in future on a rota basis to support Members to address issues raised through a scrutiny review of ICT support for Members.
- Support and Maintenance – removal of some software to be replaced by Microsoft software.
- Staff reductions – estimated number of staff not included in the total – the change in numbers of staff likely to be closer to 30.

- Resources.
 - Business Services – progress is good on proposals. These areas in the Directorate are largely people based. 31 posts are being reduced with efficiencies in the way the Council operates.
 - Court costs are not fully recovered.
 - Concern over the impact of Welfare Reform.
 - Strategic Director and teams applauded if £1m can be achieved. Concern is where to go next to find savings.
 - Professional Services – little detail here as this is a fundamental restructure of the service. This covers Legal, Finance and procurement. The procurement service may need to grow and needs to be aligned to support commissioning.
 - Around 50 posts being deleted – there have been discussions with the services about the proposed changes.
 - Post the Williams Commission there could be further efficiencies in linking the Council and the Health Board.
 - In changing professional services there is a need to ensure that there are sufficient professional staff available to support services.
- General.
 - None or very few of the proposals in the budget show the Council moving to a commissioning model. The Cabinet policy currently is not about large scale outsourcing of services, in order to keep the spend within the county. The current position is about transforming services and using 3rd sector providers or not for profit delivery for leisure services which would be commissioning.
 - Council may need to ask questions on matters which should be considered looking forward e.g. transfer of housing stock to housing associations who can access funding not available to the Council; whether the Council continue to maintain highways etc.
 - Number of Full Time Equivalent reductions – some of this are transfers of staff to other providers who the Council will pay under contract for their services. There is a need to clarify exactly the numbers of staff being reduced in the Council.
- The Audit and Scrutiny Committees will probably need to review the savings being made.

Outcomes:

- **That the comments of the Joint Chairs be forwarded to the Cabinet for consideration.**

4. Draft One Powys Plan.

Documents Considered:

- None.

Issues Discussed:

- The consultation on the draft plan closed on 25th January. There would be a need for a special meeting of the Joint Chairs to consider the finalised draft plan prior to its consideration by the Cabinet and Council.

Outcomes:

- **A special meeting of the Joint Chairs be held on Friday 14th February commencing at 9.30 a.m. to discuss the draft One Powys Plan.**

5. Dates of future meetings

- 21st March, 2014
- 16th May, 2014
- 18th July, 2014
- 19th September, 2014
- 14th November, 2014

6. LSB Meeting Dates

- 13th February, 2014
- 13th March, 2014
- 12th June, 2014
- 25th September, 2014
- 11th December, 2014

**County Councillor R.G. Thomas
Chair**