

**OVERVIEW AND SCRUTINY MANAGEMENT BOARD
2nd December, 2016**

Present:- Councillor Steele (in the Chair); Councillors Clark, Cowles, Mallinder, Sansome, Short, Walsh and Wyatt.

Apologies for absence:- Apologies were received from Councillors Albiston, Allcock, Price and Julie Turner.

41. DECLARATIONS OF INTEREST

There were no Declarations of Interest made at the meeting.

42. QUESTIONS FROM MEMBERS OF THE PUBLIC AND THE PRESS

A member of the public asked the following question with regard to Housing Related Support Contracts specifically the Young Homeless Contract:-

“If the Board would consider sending this particular item back for a further review before any final decision was made. We would like to be involved in some discussions and consultation with the Council about how this funding could be reduced but still provide a suitable service.”

43. BUDGET 2017/18 AND MTFs PROGRESS UPDATE

Councillor Alam, Cabinet Member for Corporate Services and Budgeting, together with Judith Badger, Strategic Director of Finance and Customer Services, presented an update on progress to identify potential budget savings to deliver the initial estimated financial challenge of £41.861M over the three years 2017/18 to 2019/20 with £13.125M being the estimated financial challenge for 2017/18.

A report seeking further investment would be considered at the 7th December, 2016, Council meeting. If approved the funding gap for 2017/18 would increase by £11.005m to £24.130m.

At a previous meeting held on 18th November, the Board had considered the first tranche of budget proposals for 2017/18-2019/20 in respect of the Assistant Chief Executive, Finance and Customer Services, Adult Care and Housing and Public Health Directorates. Appendix 1 of the report submitted set out further savings proposals in respect of Children and Young People's Services and a further budget proposal in respect of Adult Social Care.

It was proposed that where it was appropriate to do so and where there was no external consultation required, the savings included in Appendix 1 be implemented during 2016/17 in order to assist with mitigating the current in-year forecast overspend as well as ensuring that the savings could be delivered with full year effect in 2017/18.

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The previously considered budget proposals as well as those set out in Appendix 1 had been released for public consultation on the Council's website on 1st December, 2016. The consultation closed on 3rd January, 2017.

Discussion ensued on the proposals with the following issues raised/clarified:-

- Would there be opportunity for the Board to consider the criteria for the Equality Assessment?
- How confident that the appropriate savings targets would be achieved?

Councillor Roche, Cabinet Member for Adult Social Care and Health, and Nathan Atkinson, Assistant Director Strategic Commissioning, presented the further budget proposal for Adult Social Care. All the “soft” budget options had been taken; any cuts which were now being made would affect front line services and customers.

Discussion ensued on the budget proposal ASO3 (Review of Housing Related Support Contracts) with the following issues raised/clarified:-

- Housing Related Support funded many services all of which were additional services and not statutory. The Local Authority had a statutory commitment to house young people which the Housing Team would meet.
- The review of ASO3 had to be concluded by September, 2017 or earlier if possible. If it did not lead to negotiated savings then it would have to revert to competitive tenders for 1st April, 2018, start.
- Need for the review to be visible and transparent. The aim was to co-produce a new service offer with existing providers and users of all services and stakeholders.
- Concern that it was a cut in Service to the most vulnerable people and should be reconsidered.
- A Transformation Committee had been established with the aim of ensuring all the information was transferred from Children's Services and that each person was reassessed as they transitioned into Adult Services.
- The Suffolk Judgement required all Local Authorities to provide accommodation for 16 and 17 years whether the young person was a Child in Care or not. There was a close working relationship with the Transition Board and colleagues to make sure no young person was sleeping on the streets.

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- It was not just about housing for 16/17 year olds.
- Meetings had been held with the existing providers to consider how the whole programme could be re-profiled. There was also recognition that some of the services were of significant value above the EU Regulations and needed to be subject to competitive tender.

Mel Meggs, Deputy Strategic Director, Children and Young People Services, presented the further budget proposals for Children and Young People's Services.

Discussion ensued on the budget proposal with the following issues raised/clarified:-

- The Authority currently did not directly employ any transport escorts or passenger assistants; they were provided by the transport operator.
- The review (ASR-Transport A) had commenced with the intention of completion by February/March. There would be an opportunity for consultation with the Board before the start of public consultation.
- Firmer figures would be known once the proposals had been drawn up.
- The costs related to Rotherham children who may be transported out of the Borough.
- Independent travel training opened up opportunities for the young people.
- Concern that once again the review would be affecting a vulnerable group of workers and that there would not be any unseen consequences.
- The benefits of Liquidlogic would enable Social Workers to complete assessments themselves and modernise business support.
- Commitment that once understood which posts were in scope and who currently worked in those areas, a new role and job description profile would be developed and match existing skills.
- Commitment not to increase and minimise the use of agency staff.
- Request for information on the grades of those that were likely to have to leave as a result of the review.
- Expecting to start reviews around the development of contracts relating to CSE, Advocacy and Counselling. Discussions would be held with providers, look at some of the individual contracts and

progress through the political process. Expected to start as soon as possible.

- Range of contracts with different children providers to provide support to vulnerable children but they were non-statutory services. Meetings would be held with providers to look at what was provided and ascertain if efficiency savings could be made without a huge detriment to children and families.
- The budget management process would continue throughout the year and there would be an opportunity at a Department, Corporate and political level to demonstrate the progress being made.
- There was integration and closer working between Children and Adult Services and the CCG. Work was underway looking at the funding that was provided to support the more complex and vulnerable children. It had been agreed to move towards a Section 75 pooled funding arrangement to jointly support those children and thereby achieve savings
- All the post-abuse support services would be considered between now and February, 2017 and providers met with to look at efficiencies. A proportionate response would be taken. The Council had priorities in protecting some of the work which would be taken into account during the review.

Resolved:- (1) That the report be received and its contents noted.

(2) That the revenue budget savings proposals, as now detailed in the submitted reports, be accepted and referred for further consideration by the Commissioners and by the Council.

(3) That, with regard to ASO3, a report be submitted to the 16th December meeting on how it was intended to consult with user groups and who the budget proposal would affect.

44. FINANCIAL MANAGEMENT - TIGHTENING FINANCIAL CONTROLS

Further to Minute No. 36 of 18th November, 2016, Councillor Alam, Cabinet Member for Corporate Services and Budgeting and the Strategic Director of Finance and Customer Services presented a report setting out how the current management actions would be furthered and what additional actions were being put in place to strengthen financial controls and identify opportunities to move towards a more positive outturn forecast over the forthcoming months. Achieving this outcome would help minimise the use of available reserves and largely mitigate any significant adverse financial impact on future years' planning and the Council's overall financial resilience and sustainability.

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Three themes for consolidated and proactive management action, across all Directorates, had been identified to help reduce the in-year overspend focussing on:-

- Theme 1 Managing the workforce and Workforce Change
- Theme 2 Tightening Procurement and Purchase to Pay processes
- Theme 3 Technical and Accounting Adjustments

The report submitted set out the actions being taken under each Theme.

The supplementary management actions had been agreed with the Senior Leadership Team, the Leader of the Council and the Cabinet Member for Finance.

Strategic Directors, Assistant Directors, Managers and budget holders would ensure continued close management and scrutiny of spend for the remainder of the financial year and would ensure adherence to both the letter and spirit of the actions set out in the report.

Discussion ensued with the following issues raised/clarified:-

- The newly established Workforce Management Board would challenge the need to advertise posts and bring in controls around workforce management.
- There would always be issues that affected the year end expenditure that had not been foreseen; the forecast overspend was the best that could be estimated at the current point in time. Currently there were “deep dives” into Service spend being undertaken with each accounting line challenged.
- The Corporate Plan Indicators report was submitted to the Cabinet/Commissioners’ Decision Making Meeting on a quarterly basis. Some of the ASRs contained within the report submitted would be relevant in the 2017/18 financial year and it was suggested they should include an impact assessment within the Corporate Plan.
- Build into the quarterly reporting some link to where the savings had been and any performance impact of those savings.
- What cross-Directorate savings had been made?
- Had every area identified what savings could be made?
- It was thought that the impact of the removal of Salary Sacrifice would not affect the Authority until 2018/19. Work was now taking place as to the cost impact of that on the Council and would be built into the final budget proposals in terms of the Medium Term Financial Strategy.

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Resolved:- (1) That the measures set out in the report submitted to further strengthen the Council's financial control framework in relation to HR, financial management and procurement practices across the Council and reducing the in-year forecast overspend be noted.

(2) That the Corporate Performance Plan be submitted to the Board for pre-scrutiny prior to its submission to the Cabinet/Commissioners' Decision Making Meeting.

(3) That Children and Young People's Services and Adult Social Care continued to submit budget reports on a monthly basis and the remaining Directorates submit on a three monthly basis to enable the Board to monitor progress.

45. EXCLUSION OF THE PRESS AND PUBLIC

Resolved:- That, under Section 100A(4) of the Local Government Act, 1972, the press and public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Part I of Schedule 12A to the Local Government Act (as amended March, 2006) (information relating to the financial or business affairs of any particular person (including the authority holding that information)).

46. WASTE SERVICES - PROCUREMENT AND AWARD OF CONTRACTS FOR THE TREATMENT AND DISPOSAL OF KERBSIDE COLLECTED RECYCLED MATERIAL

The Strategic Director of Regeneration and Environment Services presented a report on the current contracts in place to treat and dispose of kerbside collected household recyclable waste would both come to an end in 2017.

The Council was currently undertaking a comprehensive review of Waste Services. It was anticipated that implementation of changes to the Service would be agreed and implemented during the 2017/18 financial year.

The Board's attention was drawn the proposals set out in the report and to the corresponding timetables.

Resolved:- That the commencement of procurement activity and award of a one year contract(s) aligned to the current Service specification for both blue bag and blue box recycled materials with both contracts ending together on 31st July, 2018, be noted.

47. DATE AND TIME OF NEXT MEETING

Resolved:- That a further meeting be held on Friday, 16th December, 2016, commencing at 9.00 a.m.