

Overview and Scrutiny Performance Board

Budget Scrutiny 2018/19 – Comments from Overview and Scrutiny Panels

Adult Care and Wellbeing Overview and Scrutiny Panel and Health Overview and Scrutiny Committee

The Panel and Health Overview and Scrutiny Committee (HOSC) members agreed comments on the draft Budget 2018/19 which would be highlighted to the OSPB, to form part of its response to consultation on the Budget.

The Panel wanted to highlight its concern to both the Overview and Scrutiny Performance Board (OSPB) and Cabinet that pressures from finance and demand meant a number of 'tipping points' were in danger of being reached when there may be a risk of services not being delivered; how close were they? The potential risks to services would need to be closely monitored and the Overview and Scrutiny Panels would require regular information in order to fulfil this monitoring role.

Recruitment and staffing difficulties in social care settings and in nursing was highlighted as another issue, which the Panel would continue to monitor.

The Panel was pleased by use of technology to support people's independence at home and welcomed the recent approval of £199k funding of new technologies in care for Howbury House by the Cabinet Member with Responsibility (CMR) for Adult Social Care, which formed part of the new Technologies in care project endorsed in 2015, to which Cabinet allocated £2m from directorate reserves. The Panel would keep abreast of progress in the use of technology, which was on the work programme.

In relation to Disability Facilities Grants, which were administered by District Councils, several members reported that grants were not always spent; it would be helpful to understand how District Councils and other agencies worked together to deliver this service, and any opportunities to maximise effectiveness of the grants.

In relation to the Budget Scrutiny process, the combined discussion of Adult Services and Public Health budgets had worked well, however it would be more helpful to consider the Budget within the context of the Medium Term Financial Plan and longer term plans. It was important to have sufficient meetings to deal with the volume and detail of information involved.

The Panel and HOSC considered that every opportunity should be taken to communicate honestly with communities and all levels of Government about the challenges being faced in adult social care as well as about the positive actions being taken.

Corporate and Communities Overview and Scrutiny Panel

The Panel would have liked to have received more detailed information to consider specific to the budgets within its remit. They felt that this would have helped avoid some time during the meeting being spent seeking clarification and explanation. The Panel may approach any future budget reviews in a different way, given the broad range of

services and initiatives in the remit of the CMR for Transformation and Commissioning, which the Panel felt made it difficult to drill down into the detail.

The Panel has the following comments for consideration by OSPB for onward communication to the Cabinet:

Members considered that there should be more explanation and evidence of consideration being given to risks to achieving savings. The term "concepts" was used during the meeting to refer to sums included in the Medium Term Financial Plan, without any certainty at this stage of the savings being achieved in part or in full. This may lead to an inaccurate picture of the budgets going forward. The Panel suggested that confidence models/sensitivity analysis should be used to estimate the likelihood of savings being achieved and at least providing information on the "best case/worst case" outcome.

Members of the Panel were concerned overall that the savings included in the proposed Budget may not be achievable and do not appear to be part of a planned approach. An example is the current year IT services budget where a forecast overspend of £900k was reported to the Panel in November. This is due in the main to the IT support costs (laptops, licences etc) still being incurred as a consequence of a forecast reduction in headcount across the County Council not being realised as quickly as first estimated. It is reliant on proposals for change and savings being realised in other areas of the County Council. Members suggest that the approach should change from what can we save or cut to what can we develop and earn.

More detail was provided at the meeting about the aims and operation of the Revolving Investment Fund. This is a financing tool to support businesses in Worcestershire providing the County Council with a return on funds loaned out. Members considered this a positive initiative and queried whether the rate of interest charged could be higher. They also considered that there should be more of a focus on how money could be made to work for the benefit of the County Council in terms of providing maximum income which could be used to support services.

Crime and Disorder

During November 2017 and January 2018, the Lead Member for Crime and Disorder supported by the Scrutiny Team, met with the CMR for Health and Well-being (who has responsibility for Community Safety), the Director of Public Health and the West Mercia Police and Crime Commissioner (PCC). In addition, he attended the joint meetings of the Adult Care and Well Being Overview and Scrutiny Panel and the Health Overview and Scrutiny Committee which examined potential priority changes to the Budget which may impact on crime and disorder issues. This in itself was a challenge as there was no dedicated budget for crime and disorder.

A further confusion arises from the local authority partnership working, which was carried out through two district based Community Safety Partnerships. Equally, the Police Budget doesn't have a dedicated partnership budget showing its joint investment with local authorities either. Although there was an initial concern about this, it was somewhat alleviated for the reasons set out below.

Explicitly, there was a Public Health Ring-Fenced Grant (PGRFG) for Drug and Alcohol Services which had supported improved outcomes as detailed in paragraph 22 of

Agenda Item 7 of the Report of the CMR for Health and Well-being discussed at County Council on 18 January 2018.

There was also significant support to the Worcestershire Safeguarding Children's Board and its focus on action against domestic abuse perpetrators (paragraph 17 of Agenda Item 7 of the Report of Cabinet Member with Responsibility for Health and Well-being, County Council on 18 January 2018). These were not supported by explicit budgets but rather they reflect a culture of co-operation recognised by both the Cabinet Member and the PCC, whereby the personal relationships created a momentum to achieve improvement which was paramount. Both the PCC and the Cabinet Member confirmed that mutual co-operation was good.

It was important that the Council continued to help develop strategies to reduce the impact of cyber bullying.

The two areas which would benefit from improved joint working were Highways and Trading Standards. Anti-social motoring behaviour, usually stemming from speeding but including pseudo illegal racing or rallying was a concern for many communities. Police enforcement actions were short term and palliative and the long term solution was often an engineering solution coupled with public education. As a first step to improve the situation, the Safer Roads Partnership had been invited to a Health and Well-being Board meeting. Creating a culture of more joint strategies between the Police and Highways would help to reduce the misuse of motor vehicles and improve the lives of many residents.

It was important that Trading Standards were resourced to continue to help the Police in relation to modern day slavery.

There was no evidence to suggest that the Budget this year would weaken the resolve to face head on issues and support action to counter incidents of crime and disorder.

Finally, other than the PHRFG the majority of support in this area was officer time working between agencies. It was important to continue to support officers to work in partnership in this way as failure to do so would only result cost shunting between the County Council and the Police or vice a versa which would be counter-productive.

Economy and Environment Overview and Scrutiny Panel

A presentation was circulated, however the Panel Chairman pointed out that most of the information related to the overall budget for the Council, and the Panel wanted to look specifically at budget detail for Economy and Environmental (E&E) Services. The Chairman had been expecting to see budget detail for 2018/19 alongside figures for 2017/18, to enable comparison. A final version of the Budget Book extract including figures for both capital and revenue budgets and staff would be available for February Cabinet and Council - the Director of E&I has advised that very little will have changed however the Panel was disappointed that this detail won't be subject to scrutiny.

Examining the figures, one area which surprised the Panel was the £5m reduction in the Highways Maintenance budget. It was explained that was subject to accounting adjustment, through conversion of highways revenue maintenance costs from revenue to capital budget; there was no reduction in actual spend. Although the Panel members could understand the rationale behind this as many of the roads and pavements re-

tarmacked will last up to 30 years, they sought further clarification about the public perception of this approach, since the Budget Book figures gave the impression that the highways maintenance budget had been reduced by £5m when people wanted the Council to spend more on highways. The Director clarified that only certain items could be capitalised in this way and that the Budget was not being reduced nor the proposal concealed. The Panel considered it was important that this was communicated.

The Director was then asked to provide an update on the areas where variances had been predicted for the budget year 2017/18, which had been subject to discussion at the Panel's November meeting.

- For Archives and Archaeology, in relation to the high accommodation costs from The Hive, as a PFI financed building, the Director had made sure that the service would not be burdened with these costs and therefore this was now displayed separately.
- Costings for County Enterprises have been accepted as sitting with Economy and Environment Directorate, with more therefore built into the budget for 2018/19 to accommodate this.
- The Waste Contract is mid-negotiation but the Director was confident that the 2018/19 budget would be achieved. The Director explained how the building of this important council asset was financed using Council money as part of a "virtual Bank". He agreed that the contract had to be value for money, and would be subject to ongoing scrutiny.
- Regarding Scientific Services, there was no change in Place Partnership's decision in cancelling the asbestos removal contract which Panel members had been upset to learn about at their meeting in November. As a consequence, the department had been down-sized accordingly, and the budget figures reflected this.
- Trading Standards used reserves last year to deal with their re-structuring and the new budget reflected this.