

Minutes

EXAMINATION OF THE BUDGET AND MEDIUM TERM PLAN (MTP) TASK & FINISH GROUP

MINUTES OF THE EXAMINATION OF THE BUDGET AND MEDIUM TERM PLAN (MTP) TASK & FINISH GROUP HELD ON THURSDAY 21 JANUARY 2010, IN MEZZANINE ROOM 3, COUNTY HALL, AYLESBURY, COMMENCING AT 9.00 AM AND CONCLUDING AT 4.30 PM.

MEMBERS PRESENT

Mrs P Birchley, Mr M Brand, Mr A Busby, Mr T Butcher, Mr P Hardy (Chairman), Mr N Hussain, Mr D Polhill, Mr P Rogerson and Mr D Shakespeare OBE (Leader)

IN ATTENDANCE

Mr M Chard, Policy officer - Overview and Scrutiny, Buckinghamshire County Council
Mrs M Clayton, Cabinet Member for Achievement Learning and Skills
Mr M Colston, Cabinet Member for Adults and Families
Mr A Dinning, Divisional Director for Safeguarding
Mr T Egleton, Chairman of Overview and Scrutiny Commissioning Committee
Mrs L Goll, Divisional Director for Achievement and Learning
Mrs C Gray, Senior Democratic Services Officer
Lin Hazell, Cabinet Member for Safeguarding - CYP
Mr J Huskinson, Financial Services Manager, BCC

1 APOLOGIES FOR ABSENCE/CHANGES IN MEMBERSHIP

There were no apologies for absence.

2 DECLARATIONS OF INTEREST

Michael Brand declared a personal interest as his sister worked for Age Concern.

Adrian Busby declared a personal interest as his wife was Chairman of Rethink, a mental health charity.

Tricia Birchley did not take part in the agenda when Adult Social Care was discussed at the Lead Spokesperson for Adults and Family Wellbeing.



INVESTOR IN PEOPLE



3 CABINET MEMBER FOR ACHIEVEMENT, LEARNING AND SKILLS: MARION CLAYTON

Marion Clayton and Louise Goll were welcomed to the meeting. The following questions were asked:-

Will the proposed budget for 2010/11 and the medium-term plan for subsequent years enable the Council to continue to provide the level of services expected by Buckinghamshire residents?

This is difficult to answer – the Council know what they should provide to deliver a top quality children's service and know what residents expect. Buckinghamshire is a top performing children's services authority and has good outcomes. However, a reduction in the budget will mean a reduction in the ability to offer support. There are real pressures in safeguarding children and this is impacting on other areas, particularly commissioning and education.

Has there been a shift in emphasis from achievement and learning to safeguarding?
The pressures on safeguarding have increased enormously and have impacted on all areas. Safeguarding children has to be a priority but portfolios still have to maintain their core service and focus on those children who are most in need.

How are you managing to close the gap between those who are high achievers and those who aren't? Will the Service be able to deliver with service reductions in commissioning?
One of the problems in Buckinghamshire is that there is a high% (40%) of children with special needs who receive free school meals. This has skewed the performance statistics. Because the County was a top performing authority with high achievers there would always be a gap in attainment. Because of focusing on children most in need cuts in commissioning had to be made. The funding allocation from the Dedicated School Grants would be agreed by the Schools Forum and some of this funding may relieve pressure on the school improvement budget. Transferring good practice from one school to the next can also relieve pressure on the budget.

The portfolio is losing a number of posts in key areas such as fostering and the County Advisor's role – how will this impact on service delivery?
It is not ideal to lose these posts but savings are needed to balance the budget. The County Advisor's role is to support policy and practice and will not affect child protection. These savings would not be put forward if it was an essential service.

On the performance charts the Council is not performing as well as it could with regard to children who have free school meals and Looked After Children. What plans do you have to improve performance?
The targets in these two groups are disappointingly low. Some Looked After Children perform well and go to university but the standards of achievement vary significantly. With a reduced budget it is important to target those most in need.

Who is responsible for the home to school transport budget?
This portfolio sets the policies for provision and Transport manage the contract to deliver in accordance with our policies. One of the Council's policies is to have selective schools. There is a national admissions policy where the Council must take into account parental preference which can sometimes mean transporting children long distances. The Council is as robust as it can be in applying this policy but Buckinghamshire is a rural County. The recent report on Admissions Consultation had taken into account school transport costs.

For the overall budget there is £61 million but the outturn is £54.8 million what is the reason for this?

The budget needs to be considered not the outturn. There are 3 Divisional Directors who are undertaking a lot of work to reduce the overspend.

What about budget reductions in the Youth Service?

There are reductions in the Youth Service and the Youth Offending Service. The portfolio is commissioning a universal youth service with Connexions which should provide a better service at a lower cost. This will be an outsourced service. The portfolio needs to change because of these service reductions and will become a commissioner of services rather than a provider. The internal provider will have the opportunity of bidding for the service. Further work still needs to be undertaken on what parts of the youth service will be commissioned. It will cost one third of the overall budget in 2011. If work is commissioned there will not be a need for internal managers therefore these costs will be diminished. This should produce a £80,000 saving.

What about the Building Schools for the Future bid as the initial bid was not accepted?

Another bid was being put forward for this Project of £85 million to refurbish six schools. Investment in schools was important as can be seen with the recent new build at Cressex. Grant funding is guaranteed for the BSF Programme.

What about your Capital budget?

The portfolio have a clear capital strategy and assess every school. 6 schools have been prioritised for BSF. Most of the schools in the County are in better condition than other Authorities. This is all that can be done in a restricted budget. The Capital Programme has been previously funded by Government grants and these are running out. Funding will continue for Government initiatives such as Children Centres. Temporary classrooms do serve a purpose such as a short term increase in figures. There is a programme to reduce the number of temporary classrooms. Funding from Learning and Skills Council would go direct to Local Authorities as they would now provide services for this area.

4 SUMMARISE FINDINGS

- There were more efficiency savings because of the pressure in safeguarding. There were concerns about the number of staff reductions and delivering the core services.
- Savings were being made around youth services but these savings had been put in the budget before the work had been commissioned. The disproportionate cuts to youth services could store problems for later years. Young people need support and guidance today to give them a good future. One of the major benefits of youth services was community cohesion. The youth service was out all hours after the London bombings which helped dissolve a lot of tension.
- There had been redistribution amongst services which had addressed the deficit but created other issues.
- The Capital Strategy should be considered – new buildings and maintenance work, looking at priorities and how they should be funded. £5 million had been allocated but no work had yet been undertaken on making use of this money. What about temporary classrooms? Reserves were required for emergency works e.g. mending a school boiler.
- This portfolio worked with a number of partnerships e.g. safeguarding – police, PCT and Crime Disorder Reduction Partnership. As there were so many agencies involved, it was important to get all the partners on board to produce a long term strategy that could be financed appropriately.
- The responsibility for home to school transport was within this portfolio but the delivery of the service was controlled by the Cabinet Member for Transport.
- Discretionary spend could be addressed further.
- Concern was expressed about the gap in achievement and the need to help children with special needs.

5 CABINET MEMBER FOR ADULTS AND FAMILIES: MICHAEL COLSTON

Mrs Birchley took no part in the discussion on Adult Social Care as she was the Lead Spokesperson on Adult and Family Wellbeing.

Mike Colston and John Huskinson were welcomed to the meeting.

Will the proposed budget for 2010/11 and the medium- term plan for subsequent years enable the Council to continue to provide the level of services expected by Buckinghamshire residents?

Over the years there have been a number of government directives affecting this portfolio such as institutionalised care, supported living model which all have an impact on residents. The staff managing the service then have to manage change and have different business processes. One of the biggest changes has been the move to a culture of expectation. This portfolio will continue to offer good services although they may feel different. The Council Plan states that this portfolio will promote and help families and the community to be self reliant as long as they are safe. The Local Area Forums are working in partnership with District and Parish Councils to provide a community based support network. There is also other preventative work such as the BEAM Strategy. The portfolio will deliver its services as best they can within the current financial constraints but services may feel different to residents.

Older People

Are you overspent on the budget this year?

There was an overspend of £815,000 but the budget will be balanced this year. Action has been taken by Heads of Service and there is now a £105k forecast overspend.

Has your budget changed much from last year?

This portfolio has a large budget and money has been lost through additional financial pressures imposed by Government with little or no extra funding. The portfolio has been part of the transformation programme and we are always looking at ways to use funding in an innovative way. The portfolio is run like a business and money is moved around services to alleviate funding pressures. One big pressure on the portfolio is demography and there is now a surge in the numbers of older people requiring support. There were 100 new clients this year, a large % of whom are over 85 and fragile.

As providers of care account needs to be taken of the pay settlement, performance indicators and contract inflation. These amounts can be variable depending on the complexity of the client.

Members were impressed with the Strategy adopted in terms of increasing the charging policy, service reductions and rationing access to services. It was difficult to do all three things at once. There were also reviews of day centres to look at ways of providing these services more effectively. There was a restricted budget and whilst the public needed to understand the difficulties being faced, older people should not be anxious about the changes; safe services would be delivered.

What impact does a restricted budget have on older people?

By doing things differently mitigates the issue. The In Touch Service has been a success by using a small amount of money it gives a level of support for Older People.

Learning Disability

The BEAM Strategy had been put in place for early intervention and this was important for people with learning disabilities giving choice and control to individuals. A public consultation would commence on 15 February 2010 on day services for these and other client groups. Current services were outdated, building based activities that were not fit for purpose. It was

important to help this group lead semi independent lives. There were complex centres that provided good facilities such as health services, hydrotherapy pool. After consultation they would also be sessions held at the Civic Centre to make sure the new policy would meet the needs of users. The policy would be then agreed at Cabinet and the Business Investment Group. Capital would be provided for any new builds to be able to deliver on the new model. This should improve outcomes for users. There needs to be a culture change of living independently.

What about reducing grants to voluntary organisations?

In difficult financial circumstances partners have to adjust as well. The work of voluntary organisations is extremely valued and contributes to the outcomes of clients. Which organisations are affected will be open to discussion although they do bear in mind that to smaller groups small amounts of money are significant. Back office costs should be cut rather than frontline services.

Mental Health

How dependent are you on partners in delivering the service?

Because of the restriction in the budget, efficiencies have to be made and that includes rationing care. Good work is undertaken by professionals on making assessments and there are Panel Managers who look at whether assessments are consistent. From this process the size of placement packages are considered. The portfolio works with OBMH and the PCT and there is a pooled budget, which is covered by legal agreements.

How is the portfolio delivering on performance?

As the Cabinet Member there is regular up to date information on performance and the County is above the performance target. In terms of delayed transfers of care there are more delays in the health service rather than the Council. The average delay is one week to set up care packages or obtain a place in a residential home, which is a significant improvement.

What is the position in terms of residential beds?

There are block contracts at Fremantle and Heritage Care which is best value. There will always be a small number of beds left empty to cater for turnover or cleaning the room. The management of contracts is very vigorous to ensure beds are utilised as efficiently as possible.

Do you believe you can deliver your service on a restricted budget rather than using capital?

Through making assessments a number of choices will be made about the most efficient delivery of care such as slowing admission to residential homes by helping people to live independently. Other innovative services are being offered rather than making an assumption that institutional care is required. Taking independence away is not considered lightly.

What needs to be in your base budget?

This portfolio is the gateway to care assessment and need. There is an increase in demographic pressures which needs to be recognised and funded. Self directed support should be beneficial to the Council. The challenge is free personal care and there is a contingency of £1million. The Personal Care bill has not completely ruled out residential homes. Pressure is being brought to bear on the Government by the Local Government Association to ensure that the legislation is tightly drafted and it is clear what 'home' actually means. The National Epileptic Centre was also changing the way services were delivered which would impact on the Council as the placing authority. There were 80 clients who needed to be reassessed as fit. Legal advice was being sought on statutory duties.

What has the impact been so far with Transformation?

There have been changes to the duties of staff and categories and grades have been revised. One of the concerns is the lost of 45% of Grade 3 Managers. The Service Managers drive the

engine behind the portfolio. Staff could become stressed at work and agency staff have to be bought in at a high cost.

Culture and Learning

Cultural changes are being made to adult learning and combining services with libraries. Work has been commissioned on rationalising the property portfolio and shared use of Council buildings. A paper would be submitted to Cabinet in the next few months. Adult learning could be a lifeline to some group's e.g. ethnic minority women. With the changes in LSC funding it was important to work with partners and colleges etc on how this service should be shaped. There was a reduction of 27 fte as a result of the transformation programme. As a commissioner of services the demand for staff reduces but more money is spent on externalised services.

What is the thinking behind a reduction in library hours? If they are not open when the residents need them this may reduce usage. What about community libraries, some of which have been successful. What about the use of mobile libraries?

There has been under investment in libraries for some time and this will concern residents who are attached to libraries. The Library Strategy needs to be looked at in a different way. A Community Library Forum has been set up in the Chalfonts to discuss these issues with volunteers and communities. There is insufficient money to run all libraries so other options have to be considered. The reduction in income from DVDs etc because of the internet has had an impact on libraries. The library membership has grown from 11,806 to 15,322. Solutions need to be fit for purpose and affordable. The model is sustainable with a number of hub libraries and number of satellite libraries. Smaller libraries would be looked at in terms of community requirements and demand. It was important to innovate and modernise the service.

What about the museum?

A piece of work is being undertaken on different ways of funding the museum, much of the footfall being children on school visits.

What is your overall strategy in terms of culture and learning? The professional service is specialist and important. There is a reduction in staff in the Local Studies Office and Museum Keeper and they contribute to the heritage of the County.

The Head of Service put forward these service reductions in order to balance the budget which is difficult but achievable. The staff posts that were being cut were vacant posts.

Michael Colston was thanked for attending the meeting.

6 SUMMARISE FINDINGS

- Whilst there was an overspend currently reassurance was given that there would be a balanced budget at the end of the year. The budget was reprofiled regularly. The portfolio was large so a £815,000 overspend was under 1% variance overall.
- Free personal care legislation would be a huge problem for the Council.
- If all portfolios were addressing the overspend with regard to safeguarding through efficiencies – this could have been undertaken before.
- The two major changes were self directed support and day centres. Was it corporate policy to sell capital assets and retain the funding in the portfolio?
- 65% of this portfolio were statutory services.
- Whilst there was a lot of innovation in this portfolio further thought could be given to long term strategy.

Culture & Learning

- Cuts in hours should be revisited. If the library was not open when the resident needed it then the resident would look elsewhere. A strategic solution was required to look at the best option for residents.
- This was a work in progress budget – the community library model could offer savings and benefits for customers e.g. Static solutions rather than use the mobile library. Better hours offered would serve the whole of the community.
- This portfolio needs to be a custodian of learning and heritage. Archives was an important function.
- Where is culture and learning best placed?
- It was hard to go back and invest after redundancies and cuts had been made. 27 fte had been cut from culture and learning.

7 CABINET MEMBER FOR SAFEGUARDING - CHILDREN AND YOUNG PEOPLE : LIN HAZELL

Lin Hazell and Alan Dining were welcomed to the meeting.

Will the proposed budget for 2010/11 and the medium-term plan for subsequent years enable the Council to continue to provide the level of services expected by Buckinghamshire residents?

There is a small % of residents who know what this service is. It is a demand led budget and it is difficult to plan ahead. The overspend is currently being addressed. Historically the overspend was due to out of county placements and the unpredictability of the business and this is managed by being cautious. In 2005 children were allocated places in their best interests rather than being financially led. In 2009/10 large sibling groups were coming into the County and some external placements had been made.

Is there a contingency?

There is no overarching contingency and the government proposals through baby p have put extraordinary pressures on the budget.

Does agency staff impact on the budget?

All essential posts are covered. There are 40 vacant posts and recruitment drives are held to attract people to Buckinghamshire. When there are bad cases the social worker seems to be blamed which is making it a difficult area to recruit in. If agency staff cover posts they are encouraged to work for the Council on a permanent basis. Case loads are high.

How has transformation impacted on safeguarding?

There has been no immediate effect on safeguarding; it has impacted on School Improvement more. The staff are resistant to too much change particularly on diminishing budgets and the nature of the business.

What is your Strategy?

One of the targets is to increase fostering and to reduce placements out of county. The portfolio is working jointly with other authorities to share the cost e.g. through advertising and sharing independent chairman. The post of County Advisor has been taken out but it is not deemed critical as it is a commissioning post. There were 99 more Looked After Children at the end of December. The biggest increase was between April – July. Rigorous controls need to be applied and the thresholds need to be accurate. Local placements should be used where possible to obtain value for money. The rate people were leaving care was delayed because court proceedings had increased as a result of baby p. There is a target of 60 extra foster carers by March 2011. It takes one year to get foster parents in place.

All the work in the portfolio was statutory with some preventative work and a small contingency had been given to combat rising pressures from the White Paper.

What about your legal costs?

Legal expertise is provided internally and it would be difficult to obtain legal advice for less money. They are highly specialised – some court fees are £4,000 per case.

Where does £400,000 of saving come from?

This is a recharge to the Primary Care Trust as some Looked After Children have huge medical needs but it has not been agreed with the PCT yet.

Some residential homes were being closed when the last budget was discussed but they are still open?

One was closing in 10/11 and the other in 11/12. However, this was a false economy in view of the baby p case.

What about the reduction in respite care beds?

It is achievable with a reduction from 30 —20 respite units.

What about out of county placements?

We need to move away from spot placements which are expensive and rely on the needs of the child. Some children are sent to the Midlands or North of England depending on their needs.

What is your capital strategy?

The aim is to move children out of residential care into special units with families – they do not thrive well in a residential environment. A piece of work is looking into residential homes.

Figures in the budget were queried as to why it was amended from 55,117 to 58,771 showing an uplift of £3.6 million but the budget in total was £54,806. A written answer would be given to this question.

Lin Hazell was thanked for attending the meeting.

8 SUMMARISE FINDINGS

Safeguarding

- The demand on services was full of uncertainty. A contingency had been built in last year for the impact of baby p on this service, but this year extra 99 children had been put into care. There was no capital resource and no room for manoeuvre as there were not any discretionary services.
- There was concern about this budget – extra cases would mean that legal costs would escalate, this provided uncertainty for future years.
- Bulk of overspend is safeguarding and this would be carried forward as an overspend. Some of it had paid off through help from other portfolio areas. The budget does not seem able to meet demand and thought should be given to doing zero based budgeting to re position the budget to meet current circumstances. Providing a capital resource would give extra headroom into the budget.
- There was no control over the policy and performance of external bodies and how this impacted on the portfolio. This budget had the highest level of risk. There was dependence on the Primary Care Trust who may not provide the adequate finance to support this service. There cannot be a £5 million deficit.
- It was important to promote foster care and this area had service reductions. It was a 12 month process to get foster parents lined up.
- Further clarity was required on inflation costs.

9 LEADER : DAVID SHAKESPEARE

David Shakespeare was invited back to the meeting.

Can you reassure us about the surpluses made in future years as a result of transformation?
This Council is prudent by nature. We have never been in this situation before and one year ahead there is no clarity about what resources will be available to us. There will be a general election and it is not clear what the impact of that will be. The Council is dependent on savings from the transformation and pathfinder programme. There are no guarantees of surpluses in later years. There will be no savings for this year and if saving were not achievable for future years we will need to go back to the drawing board. It is also important for scrutiny to look at statutory and discretionary spend.

This budget is a work in progress. It is a one year budget not a three year plan?
I accept that.

There is a feeling that some budgets are being hit harder than others, some of which are quite controversial? e.g. 'We're Working On It' budget is being halved.
Services with 'soft' budgets are being reduced more significantly and reallocated. Work has been undertaken with Heads of Service to look at statutory and discretionary spend and what services impact directly on residents. The Cabinet were happy to look at any suggestions being put forward.

What about the Strategy for the future?

The Property Strategy is being discussed by Cabinet on 8 February 2010. As the Council is being starved of capital it needs to look after its own buildings. That is why it is a one year plan because of a restricted budget and the need to be cautious in future years.

What about below the line figures?

The Council is already committed to financing £28 million of debt and therefore a prudent approach is being taken. The loan was approximately 25 years.

Have you got a contingency?

No. Some funding is obtained from treasury management activity which generates a good amount of interest in a stable market. The disadvantage was that the draft budget had to be prepared three months before there was clarity about future demands and there were the two big issues of child protection and free personal care. It is not clear with safeguarding whether this is a trend or a one off blip. Free personal care could destroy the budget it could cost the Council £1million or £28 million. Earmarked reserves should act as a contingency to provide a safety net for future pressures. Contingencies would be used for genuine need and a strong business case will need to be put forward.

What about prudential borrowing to help the maintenance programme?

It costs £0.5 million on revenue costs to cover the £5million already planned. A balanced judgment has been taken that this is the amount that should be taken out of revenue to fund borrowing costs.

Are you aware that some portfolios are using capital bids to make service efficiencies?
This area will be investigated.

David Shakespeare was thanked for attending the meeting.

10 DATE OF NEXT MEETING

22 January 2010 at 10am

CHAIRMAN