



Minutes

FINANCE, PERFORMANCE AND RESOURCES SELECT COMMITTEE

MINUTES OF THE FINANCE, PERFORMANCE AND RESOURCES SELECT COMMITTEE HELD ON TUESDAY 10 NOVEMBER 2015, IN MEZZANINE ROOM 2, COUNTY HALL, AYLESBURY, COMMENCING AT 10.00 AM AND CONCLUDING AT 12.45 PM.

This meeting was webcast. To review the detailed discussions that took place please see the webcast which can be found at: <http://www.buckscc.public-i.tv/core/portal/home>
The webcasts are retained on this website for 6 months. Recordings of any previous meetings beyond this can be requested (contact: democracy@buckscc.gov.uk)

MEMBERS PRESENT

Mr W Bendyshe-Brown, Mr W Chapple OBE (Vice-Chairman), Mr S Lambert, Mr D Martin, Mr B Roberts (Chairman), Mr D Schofield, Mr D Shakespeare OBE and Mr A Stevens

OTHERS IN ATTENDANCE

Mr M Appleyard, Ms A Colonnese, Ms J Moore, Mr J Sainsbury, Mr R Schmidt, Mr C Walkling, Mrs E Wheaton (Secretary) and Mr K Wright

1 APOLOGIES FOR ABSENCE/CHANGES IN MEMBERSHIP

There were no apologies or changes in membership.

2 DECLARATIONS OF INTEREST

There were no declarations of interest.

3 MINUTES

The minutes of the meeting held on Tuesday 29 September 2015 were agreed as a correct record, subject to Richard Ambrose's attendance being recorded.

The minutes of the special FPR Committee meeting held on Tuesday 13 October 2015 were agreed as a correct record.



4 PUBLIC QUESTIONS

There were no public questions.

5 CHAIRMAN'S REPORT

The Chairman asked Steven Lambert to update Members on the Cabinet's response to the Rent-in-Advance Inquiry. Mr Lambert reported that the report was well received by Cabinet and the recommendations were agreed.

Mr Bendyshe-Brown commented that it was an excellent report and welcomed the review of the county council's policy on the use of the emergency local support budget. Mr Chapple went on to say that the Inquiry had been an excellent fact-finding exercise and suggested that the report should be shared with other local authorities.

6 COUNTY COUNCIL FUNDING TO THE VOLUNTARY SECTOR

The Chairman welcomed Chris Walkling, policy officer for the voluntary sector and James Sainsbury, Head of Strategic Commissioning.

During the presentation, the following points were noted.

- Voluntary and Community sector organisations (VCS) are not-for-profit organisations, charities and community groups. This also includes housing associations as they are categorised as charities which explains why the volume of spend is particularly high.
- The paper looks at trends in funding to the voluntary sector and the Impact Assessment process which is carried out as part of the MTP (Medium Term Planning) process.
- Regardless of whether it is a grant or a contract, the process is the same with a focus on transparency.
- Recently there has been a change in standing orders and the threshold for going out to tender has increased from £50k to a new threshold of £173k which has had a significant impact on the voluntary sector.
- There has been a trend over the last seven years with a move away from grants to contracts. Contracts are more binding and can be monitored.
- The council is developing its social value and looking at how it impacts on the VCS.
- Bucks Learning Trust received a very substantial grant which has now changed into a contract so this organisation will not appear in the grants to VCS list in future.
- 209 vendors fit the profile of VCS organisations.
- Equality Impact Assessments form part of the MTP process and the threshold for conducting an EIA differs as it is very resource intense.

During discussion, the following questions were asked.

- **A Member asked when decisions around cutting funding to a VCS take place and asked for reassurance that organisations affected by any funding decisions are given sufficient advance notice.** Decisions are made by the commissioners who know when contracts are about to come to an end and organisations would normally be given at least three months' notice of any changes to their funding. The annual budget scrutiny process provides an opportunity for decisions to be challenged.
- **Why is the Citizen Advice Bureau's Money Advice Project listed under a number of service areas and does the funding relate to the same project?** It is one piece of work where the total amount of funding is £50k, but it is jointly funded by the service areas.

- **How does the budget freeze which was announced recently affect the VCS?** The VCS budget is set at the beginning of the financial year and payment is made upfront to the organisations so there should not be any immediate impact on the VCS. There are break clauses written into the agreement but the shortest break clause is six months.
- **How and when are local Members involved in the process around commissioning to VCS organisations in their own area?** Within the commissioning framework, commissioners are asked to consult with local members and there is training around engaging with local members.
- **For the last two years, Members of the budget scrutiny have requested that there be more flexibility around the threshold for an EIA in the voluntary sector as a £40k reduction to a charity's funding budget could result in the charity collapsing.** The decision around the £50k threshold is made by the Cabinet Member. The Chairman asked the officer to provide a more detailed response to be circulated to Members after the meeting.
- **Some Business Units give funding to the same VCS and collectively this adds up to £50k would the organisation qualify for an EIA? The Chairman asked for this to be included in the response.**

Action: Chris Walkling

- **Some VCS organisations need funding for very specialist and professional support (ie. Alzheimers support). Simply Walks, pub lunches could be handled by the communities so is there any proportionately in terms of social value.** There are competing demands and there is a need to understand the market place in order to deliver the outcomes required. Commissioners are aware of this and they do bear this in mind when applying the social value test.
- **Why was Chiltern District Council awarded funding for an affordable warmth project?** The officer agreed to look into this after the meeting and send a response to Members after the meeting.

Action: Chris Walkling

SEE PAPERS AND WEBCAST FOR FULL CONTENT

7 CRISIS SUPPORT INQUIRY - PROGRESS REPORT ONE YEAR ON

The Chairman welcomed Janice Moore, Anna Colonesse and Chris Walkling to the meeting to provide a six months progress report on the crisis support inquiry. It was noted that the responsibility for delivering on the outcomes falls across three different council service areas.

There has been progress against most of the recommendations. Some of the recommendations were going to be delivered through the Bucks Network and the county council can no longer provide secretariat for this forum. This forum has been renamed to the Bucks Network Welfare Reform Group which is being chaired by Mike Veriyard. A meeting is due to take place at end of November. It was agreed that this would be the best vehicle for moving forward on the three recommendations.

During discussion, the following questions were asked.

- **How much money has been provided to central aid and how many food parcels have they delivered to the rural parts of the county?** Central Aid has only just started delivering to the rural areas so it is early days but the parcels are put together by the One Can Trust. It is a work in progress.

- **Members asked to see a copy of the activity plan to promote Credit Unions.** This will be circulated to Members after the meeting. Libraries are being used as part of the promotion plan.
- **Members asked for further clarification around how the subordinated loans will work and how the money will be recycled.** It was agreed to invite the Cabinet Member and Finance Director to provide a fuller response on this – either in writing or by attending the December meeting.

Action: Cabinet Member/Finance Director

- **Committee Members assigned a RAG status to the recommendations which will be attached to the minutes.**

SEE PAPERS AND WEBCAST FOR FULL CONTENT

8 UPDATE ON DIGITAL STRATEGY

The Chairman welcomed Matthew Cain, Head of Digital Strategy, to the meeting. During the presentation, the following main points were made.

- Great progress has been made particularly with the launch of a new system in the contact centre.
- The customer journey needs to be fit for purpose and there needs to be a redesigning of council services to make them more digital.

During discussion, Members asked questions around the following areas:

- Use of live chat;
- Bringing together of TfB's website and the council's main website;
- Devolution of services and maintaining a good customer journey;
- Frequency of mystery shoppers to monitor the call holding times and the re-introduction of the name recognition service;
- Lessons learnt from other authorities and what "good" looks like;
- A Member commented on the recent excellent Member briefing on the digital strategy.

It was agreed to invite Matthew Cain to a Committee meeting early next year to provide a progress report on the areas mentioned above.

SEE PAPERS AND WEBCAST FOR FULL CONTENT

9 BALANCED PERFORMANCE SCORECARD AND JOINT BUDGET MONITORING REPORT Q2

The Chairman welcomed Richard Schmidt, Head of Strategic Finance and Kevin Wright from the HQ Business Intelligence team to the meeting.

During the presentation, the following main points were made.

- The balanced performance scorecard and joint monitoring budget monitoring report Q2 were discussed at the recent Cabinet meeting. The scorecard shows the council has an overspend position.
- The council is experiencing considerable demographic pressures, particularly within Adult Social Care and Children's Services.
- The Future Shape restructuring has had an impact within the property services.

- Overall, 44% of the council's indicators are green, 25% of the performance indicators are amber.

During discussion, Members asked the following questions.

- **What will the impact of the recent budget freeze have on the scorecard?** The report was written before the budget freeze on non-essential spend was announced so it is not reflected in this but Business Units will be asked to report back on the implications. By trimming non-essential spend, the aim is to bring the budget back on target.
- **A Member asked for clarification about the demographic pressures within children's services and what is causing this.** The mix of the population is changing. The increased media attention around Children's Services puts more demand on the service and support agencies. Staffing issues, in terms of recruitment and retention, have placed enormous challenges for some service areas and these areas are actively working to address this.
- **There is a gap between the strategic plan and the results of the Q2 ratings, why were the Cabinet Member's not flagging these issues earlier?** At Q1, the financial overspend was emerging, but what is becoming apparent are the continuing pressures and some of these pressures are proving harder to find solutions for and alternative solutions are being looked into. The aim is to minimise the impact on performance.
- **Is the council in a crisis situation?** The budget freeze is about stopping non-essential spend rather than stopping essential spend. It is not a crisis situation.
- **Last year, the council was looking at a 4% shift in the budget into the areas which had an overspend. With this current freeze on non-essential spending, will the budget be back in black by the end of the year?** The council is taking corrective action so that it will be "in the black" by the end of the financial year. The council has a good track record of delivering against the targets.
- **In terms of the recruitment freeze, last year the budget scrutiny inquiry recommended a reduction of agency staff and an increase in permanent staff so how will the freeze affect the agency staff costs?** The officer was unable to comment on the exact reasons around the falls and the rise of agency staff but there can be some fluctuations between quarters.
- **Concern was expressed about making people redundant and then bringing in agency staff to fill the gap.** In social care, progress has been made in recruiting permanent staff to avoid the use of agency staff.
- **This issue will be discussed in more detail during the budget scrutiny process.**
- **A Member commented that the council had planned by 2018 to be self-supporting and not rely on support from central government. The Member felt that in order to achieve this the council needed to make both managerial and structural changes within the organisation.**

SEE PAPERS AND WEBCAST FOR FULL CONTENT

10 COMMITTEE WORK PROGRAMME

Members noted the work programme. An update Crisis Support will be added to the December agenda and an update on the Digital Strategy will be added to the work programme for the March meeting.

Action: Liz Wheaton

11 DATE AND TIME OF NEXT MEETING

The next meeting will take place on Tuesday 15 December 2015.

12 FINANCIAL PRESSURES ON THE BUDGET - ADULT SOCIAL CARE

The Chairman welcomed Mike Appleyard, Cabinet Member for Adults and Social Care, Rachel Rothero, Service Director and Adrian Isaacs, Service Finance Manager.

During the presentation, the following points were made.

- Pressures on residential care costs have reached the point where the costs cannot be reduced any more.
- The Capita report made some recommendations which have already been exhausted so looking for alternative solutions.
- New responsibilities under the Care Act. Care Quality Commission point(CQC) for market oversight and Local Authorities for continuity of services if a provider / facility fails.
- The care market seeing a polarisation between self-funders and Local Authority (LA) funded. LA's are effectively competing with self-funders and Clinical Commissioning Groups (CCG's). Limitations in the market are staffing availability. Biggest risks are linked to supply of nursing and care staff and financially the introduction of the national living wage and how this will be funded. New entries into the market are targeting self-funders. However Local Authority is still biggest purchaser.
- New respite responsibilities driving up demand for short term placements.
- Costs associated with using agency staff is still a major issue for the service. More social workers and nurses are needed in the system.
- Looking at alternative solutions to the housing problem – retirement villages.
- The service has to find savings of around £5-6m of which some will come from the commissioning process.

During discussion, the following areas of concern were raised by members:

- Nursing homes should be asked to contribute to the increased costs of care.
- With providers looking to do things differently, will this have an impact on the quality of the service.
- Concern over whether the service currently has the resources to deliver its future plans.

SEE PAPERS AND WEBCAST FOR FULL CONTENT

13 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED

That the press and public be excluded for the following item which is exempt by virtue of Paragraph 3 of Part 1 of Schedule 12a of the Local Government Act 1972 because it contains information relating to the financial or business affairs of any particular person (including the authority holding that information)

14 FINANCIAL PRESSURES ON ADULT SOCIAL CARE

Members discussed the confidential appendices relating to the financial pressures on Adult Social Care.

CHAIRMAN