



Minutes

FINANCE, PERFORMANCE AND RESOURCES SELECT COMMITTEE

**MINUTES OF THE FINANCE, PERFORMANCE AND RESOURCES SELECT COMMITTEE
HELD ON TUESDAY 11 SEPTEMBER 2018, IN COUNTY HALL, AYLESBURY,
COMMENCING AT 10.05 AM AND CONCLUDING AT 12.19 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 T Butcher, Mr C Clare (Vice-Chairman), Mr D Martin,
Mr D Shakespeare OBE, Ms J Ward and Mr D Watson (Chairman)

OTHERS IN ATTENDANCE

Mr R Ambrose, Mrs W Mallen, Ms J McAteer, Ms G Quinton, Mrs K Sutherland,
Mr T Vouyioukas, Mr W Whyte, Ms E Williams and Ms B Winter

1 APOLOGIES FOR ABSENCE/CHANGES IN MEMBERSHIP

Apologies were received from Mr M Farrow.

2 DECLARATIONS OF INTEREST

Mr. B Bendyshe-Brown declared an interest in item 6 as he was a trustee of The Princes Centre in Princes Risborough, which provided adult day care services.

3 MINUTES

The minutes from the meeting held on 27 June 2018 were discussed and the following points highlighted:

- Mr L Jeffries, Director of Customer had provided an update to be appended to the minutes
- Mr A Smith, Director of Property and Assets would be invited to a future meeting.

ACTION: Mrs Sutherland



RESOLVED: The minutes of the meeting held on 27 June 2018 were AGREED as an accurate record and signed by the Chairman.

4 PUBLIC QUESTIONS

There were none received.

5 CHAIRMAN'S REPORT

The Chairman gave the following update:

- The Chairman would take over the role of Chairman for the Planning for Effective Leadership Inquiry, with the first meeting taking place on 12 October 2018.
- Since the last meeting there had been a number of changes to the scheduling and content of the Select Committee work programme, which would be discussed later in the meeting.

6 MID-YEAR REVIEW OF COSTS AND SAVINGS IN ADULT SOCIAL CARE AND CHILDREN'S SERVICES

The Chairman welcomed Mr Warren Whyte, Cabinet Member for Children's Services, Mrs Wendy Mallen, Deputy Cabinet Member for Health and Wellbeing, Mr Richard Ambrose, Director of Finance and Procurement, Mr Tolis Vouyioukas, Executive Director for Children's Services, Ms Bev Winter, Finance Director for Communities, Health and Adult Social Care (CHASC), Ms Elizabeth Williams, Finance Director for Children's Services and Ms Gillian Quinton, Executive Director for CHASC to the meeting.

Members received an update from the Budget Board and the following items were raised and discussed:

- In response to a question regarding who attended the Budget Board and how often they were held, it was advised that they started on a weekly basis but this had now been changed to fortnightly. The meetings were chaired by the Director of Finance and Procurement and the relevant Executive Director and Service Directors would also be in attendance.
- The committee discussed the action plans that were produced following the boards and how these would be monitored. Mr Ambrose confirmed that an overall action plan had been produced and this would be reviewed at each board meeting. The initial focus was on improving governance and forecasting and most of the original actions were now completed. The budget boards could also undertake deep dives into certain issues and follow up actions would then be followed up within the Business Units. The Committee discussed debt management within the organisation and how this was being addressed. Mr Ambrose assured the Committee that there was a renewed focus on debt management. Mr Ambrose confirmed that debt had decreased in the last year by £3million with a specific debt team in place for historic debt. A key difference in the new Debt Management Strategy was that the debt team would take on any outstanding debts after 30 days, as opposed to 90 days previously.

Adult Social Care:

- The Deputy Cabinet Member for Health and Wellbeing gave an introduction, summarising the pressures faced by Adult Social Care, both locally and nationally. Emerging issues in Buckinghamshire included increasing complexity of domiciliary care

packages, increasing numbers of older clients and an increasing number of self-funding clients running out of money and needing CHASC support.

- The Executive Director for CHASC highlighted that the struggling financial situation of the NHS was having an impact on Adult Social Care. Whilst Government had recently announced additional funding for the NHS, adequate funding for Adult Social Care was still not being addressed. There would be a Green Paper published in the autumn which would be critical in establishing a sustainable care system that goes across both health and social care.
- The budget allocated to Adult Social Care already accounted for 40 % of the Council's total budget, and the Executive Director for CHASC noted that this needed to be managed tightly to avoid impacting on other services. A transformation programme was currently underway to maintain the budget amid increasing demographic pressures. A detailed monitoring programme was in place which was already showing progress towards delivery of savings.
- The Chairman asked for clarification about the use of contingencies in CHASC. A budget of £128 million had been approved by the committee but there had been a budget transfer of £3,464,000. The Director of Finance and Procurement confirmed that at the end of the previous budget year, a contingency of £2.8m had been released for demographic growth and pay pressures in CHASC. This had then been incorporated into the base budget for 2018-19. The Executive Director, CHASC advised that having contingencies was prudent financial management and they would only be drawn down if absolutely essential. Members were advised that clients were staying in the system longer and individuals were presenting with more complex needs which resulted in higher placement costs. In addition, the number of depleted self-funders had increased significantly over the past three years.
- This was often because individuals were going into care homes early and finding that their resources depleted quickly. The Council were trying to signpost to other support, such as telecare and remote sensors which helped to keep people independent in their own homes.
- The CHASC Transformation programme had begun in January 2018 and was already delivering savings. The savings target against Reablement had not yet been realised. It was difficult to identify cashable savings as the main impact of Reablement was to prevent clients going into other areas of the system. An integrated approach with NHS therapy teams was being developed to improve the service.
- The following approximate figures were presented for service users in Buckinghamshire: 800 people in residential care, 600 people in nursing care, 1200 people in domestic care, 1400 people in receipt of direct payments and a further 500 people in supported living. These numbers are similar to what was expected and budgeted for.
- There was a discussion regarding eligibility of clients for Continuing Health Care funding and the risks to Adult Social Care if users are no longer eligible. The Executive Director explained that there is a national criteria and anyone who might be eligible were assessed by the Clinical Commissioning Group (CCG.) This should be a joint review between Oxford Health and Adult Social Care. A social worker cannot always be in attendance, but reviews where costs could be diverted to ASC are prioritised. The Chairman asked the Finance Director for CHASC directly to identify her biggest areas of concern in terms of delivering the budget. In response she confirmed that the main concerns were an increase in complexity of needs leading to an increase in domiciliary care hours, the number of depleted self-funders and risks associated with Continuing Health Care. She also commented that workforce recruitment and retention could continue to be an issue, especially as NHS staff had recently received a significant pay award.

- In response to a member's question regarding the financial benefits of increased integration with the NHS, the Executive Director for CHASC advised that whilst patients were beginning to see the benefits, financial savings were unlikely to be seen until the next financial year.
- The Chairman thanked all the contributors for attending the meeting.

Children's Services

- Mr Warren Whyte, Cabinet Member for Children's Services introduced Mr Richard Nash, Service Director for Children's Services, Mr. Tolis Vouyioukas, Executive Director for Children's Services and Ms. Elizabeth Williams, Head of Finances for Children's Services. The Cabinet Member for Children's Services highlighted significant changes to the management team and some of the key issues and national context for Children's Services. It was noted that the main pressure was that the number of looked after children in Buckinghamshire had increased to over 500. In addition, the number of Children in Need had increased by 12% and children subject to child protection plans had increased by 11% over the past year. Also there had been a delay in implementing the new early help service and improved short breaks service which has had a detrimental effect on the budget.

The Executive Director for Children's Services outlined three key reasons as to why the Children's Services budget was currently under pressure:

- The 2017 Ofsted Inspection identified a number of existing cases that needed reworking, and this had led to an increase in both volume of work and legal spend.
- New cases are increasingly complex. Many cases feature themes such as domestic abuse, substance misuse and mental health issues. This created a challenging work environment for staff and it was highlighted that taking children into care is always the last resort.
- A prompt start had been made to the transformation programme, but it was unfortunate that the Early Help Review had been delayed.
- The Chairman reminded the Committee that the Council's budget agreed in February 2018 had set aside £62.5million for Children's Services and there had been an additional £5.4million allocated to the service during the financial year. The Finance Director for Children's Services explained that there had been a number of budget virements totalling £1.2m during the year, for example for IT budget adjustments during the year. In addition, various contingencies for Early Help, Social Care demography and High Cost Placements had been released.
- It was noted that the budget for Looked After Children had been set at £21.9m and the Legal budget was £2m.
- The Chairman asked for clarification as to why Early Help Savings delivery had been marked as green, given that changes to the service had been significantly delayed. The Finance Director for Children's Services advised that the savings targets for this year had been made in different ways including the release of contingencies and delays in recruitment to certain vacancies across the service. In response to a question as to what could be done to actively reduce legal costs, the Cabinet Member for Children's Services commented that whilst the number of Looked After Children continued to rise, it was impossible to reduce costs in this area, but the focus was on preventing costs getting out of control. It was important that social workers completed the elements of court preparation that they were responsible for before engaging Legal. Service Director sign-off for the commissioning of external barristers had also been introduced. The Cabinet Member reassured the Committee that a new Court Manager had also introduced improved internal processes.

- It was noted that a £2,000,000 commitment was made in 2017 to invest in new residential placements in Buckinghamshire, to ensure that children and young people could be closer to home and to give the service better control over the budgets. One home had already been opened and started to be occupied and a second was on track to open this financial year. Sites for a further two homes were being sought. In addition, the Sufficiency Strategy aimed to increase the number of in-house foster carers. A target to increase the number of in-house carers by 20% year on year had been set and the Executive Director, Children's Services advised that he was confident that this would be reached. It was vital to get the right placement for each individual and whilst increasing in-house care capacity would support this, young people with more complex needs might still need to be placed externally.

The Chairman thanked all contributors for attending the meeting.

7 BUDGET SCRUTINY 2018 - 6 MONTH PROGRESS REPORT

The Chairman welcomed Mr Martin Tett, Leader of Buckinghamshire County Council, Mr John Chilver, Cabinet Member for Resources and Mr Richard Ambrose, Director of Finance and Procurement to the meeting. The Chairman asked to review the progress of the recommendations made by the Committee regarding the 2018/2019 budget.

- **Recommendation 1-** The Chairman explained that the focus of this recommendation was that the Council should move to a system of monthly accruals accounting as this would give a more accurate picture, than the Council's current method which relied on forecasting. The Director of Finance and Procurement explained that Cabinet did not believe this was appropriate because accruals accounting was very resource intensive and was more suited to private business, where profit was the driver and where income could be directly matched to services delivered. An independent review had confirmed that the Council had the right approach but internal budget management processes had been tightened to ensure more accurate forecasting and to enable mitigating action to be taken much earlier.
- **Recommendation 2-** A member asked what the current situation was in terms of the budget book. The Director of Finance and Procurement explained that officers would produce a Budget Book which would split out key elements of the budget and provide figures around average unit costs and numbers of clients etc. This would not be over-detailed but would enhance transparency. The Leader of the Council noted that Budget Scrutiny at Buckinghamshire County Council was far more rigorous and detailed than most other authorities. It was noted that the Director of Finance and Procurement's daily briefings ahead of Budget Scrutiny sessions with each individual Cabinet Member, were very helpful to the Committee.
- **Recommendation 4-** It was noted that exit interviews could not be made mandatory, however manager's had been set new DSP objectives which included an improved focus on exit interviews. The Director of HR would be undertaking analysis of exit interviews and would report any trends into CMT.
- **Recommendation 5-** It was noted that progress had been made in establishing an Information and Technology Board, which would meet for the first time in September. Business plans from service areas for resource allocation and approval would be considered by the Board going forward.

- **Recommendation 8-** The Director of Finance and Procurement acknowledged that an independent review had not taken place. However the Business intelligence teams had undertaken a number of benchmarking exercises and a review of forecasting procedures had been completed. It was noted that most other local authorities with social care responsibilities were experiencing the same budget pressures. When asked if an independent review would be considered in future, the Leader commented that he would only commission one if it represented good value for money.
- **Recommendation 9-** The members discussed Home to School transport. Changes to policy were being considered but it was a very complex area and parents would need to be consulted. Proposals would be considered at Cabinet shortly.
- **Recommendations 11 & 12-** Members commented that the additional funding for gulley emptying was welcomed. It was noted that TfB followed a risk based maintenance programme. With regards to weed management, it was acknowledged that the budget remained very limited. The member for the Risboroughs reported that he has found a very effective method of weed management in his area. It was agreed that he would discuss this with the Cabinet Member to investigate if it might be feasible to replicate it elsewhere.

ACTION: Mr Bendyshe-Brown

The Chairman thanked Mr.Tett, Mr.Chilver and Mr. Ambrose for attending the meeting.

The Committee AGREED that the Chairman and Committee and Governance Adviser would draft the RAG status for the recommendations after the meeting and then circulate them to the Committee.

ACTION: Chairman/Committee & Governance Adviser

8 COMMITTEE WORK PROGRAMME

The Committee noted the forward Work Programme. The Chairman advised that he would like to keep the item on Modernising Local Government on the programme, although it might get deferred from the November meeting.

9 DATE AND TIME OF NEXT MEETING

13th November 2018 at 10am in Mezzanine Room 1, County Hall, Aylesbury. There will be a pre-meeting for Committee Members only at 9.30am.

CHAIRMAN