



Minutes

FINANCE, PERFORMANCE AND RESOURCES SELECT COMMITTEE

**MINUTES OF THE FINANCE, PERFORMANCE AND RESOURCES SELECT COMMITTEE
HELD ON TUESDAY 10 SEPTEMBER 2019, IN MEZZANINE ROOM 1, COUNTY HALL,
AYLESBURY, COMMENCING AT 2.35 PM AND CONCLUDING AT 4.23 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 T Butcher, Mr C Clare (Vice-Chairman), Mr D Martin and Mr D Watson (Chairman)

OTHERS IN ATTENDANCE

Mr N Haddock, Ms L Hazell, Ms K Jackson, Mr R Nash, Mr A Rush, Mrs K Sutherland, Mr T Vouyioukas, Mr N Whitley and Ms E Williams

1 APOLOGIES FOR ABSENCE/CHANGES IN MEMBERSHIP

Apologies for absence were received from Mr Bendyshe-Brown, Mr Christensen, Mr Shakespeare and Ms Ward.

2 DECLARATIONS OF INTEREST

There were none.

3 MINUTES

The minutes of the meeting held on 18th June were agreed as a correct record.

4 PUBLIC QUESTIONS

There were none.

5 CHAIRMAN'S REPORT

The Chairman reported that he had met with the Finance Directors for Children's Services and Communities, Health and Adult Social Care (CHASC) and Alistair Rush, Interim Deputy Director of Finance, over the summer in preparation for today's meeting and thanked them for accommodating his drive for increased visibility of the finances.

6 MID-YEAR REVIEW OF BUDGETS FOR CHILDREN'S SERVICES AND ADULT SOCIAL CARE

The Chairman welcomed Lin Hazell, Cabinet Member for Health and Wellbeing, Ms Karen Jackson, Service Director (Integrated Care), Mr Neil Haddock, Head of Finance (CHASC) and Mr Alistair Rush, Interim Deputy Director of Finance to the meeting.

The Cabinet Member and her team gave an overview of the report and Mr Haddock took members through the supporting spreadsheets in the appendix. The following main points were noted:

- The report was based on end of Quarter 1 figures which indicated a balanced budget currently. However it was noted that Adult Social Care was a demand led service and small changes could have significant impacts on the budget. The CHASC budget was being very closely monitored and the delivery of savings associated with the implementation of the Better Lives strategy were tracked at fortnightly budget meetings.
- Adult Social Care currently supported 4900 individuals and 50% of their budget was spent on nursing or residential care. The Better Lives strategy aimed to help people to live independently at home for longer.
- Uncertainties remained regarding the future long term funding of Adult Social Care as the government's green paper had still not been published.
- Contingencies were built into the Council's budget in respect of pressures around living wage which could impact the sustainability of the care market.

In response to Member's questions the following main points were noted:

- The Better Lives strategy was divided into three tiers – Tier 1 – Prevention/ Front Door & Signposting, Tier 2 – Integration and closer working with Health and Tier 3 – Review of existing services – improvements through recommissioning, increasing community capacity and use of direct payments.
- Mr Haddock explained that it was easier to measure financial savings made as a result of reviewing an individual client's placement, than it was to quantify savings achieved by reducing demand at the 'front door' through effective sign-posting and offering prevention services.
- In response to a question regarding the health of the local care market, it was noted that the service was not aware of any providers who were struggling. It was also confirmed that open book accounting arrangements were in place with block providers and larger national providers would have to alert the Care Quality Commission (CQC) if they had any financial difficulties. This has happened earlier in the year with Allied Healthcare.
- It was noted that Buckinghamshire had seen a significant number of clients who had initially self-funded their care, reaching a point where they had exhausted their funds. Through Tier 1 of the Better Lives programme potential clients were signposted to alternatives to residential care homes such as reablement, care at home or extra care housing, as appropriate.
- It was noted that Direct Payments(DPs) accounted for £20million. The Chairman asked for additional information about the governance around DPs and how the money could be spent. It was explained that in the main DPs were used as an

alternative to domiciliary care and the funds could be spent on anything that meets the support needs of an individual.

- DPs could be paid directly into a bank account, paid onto a pre-paid care or the Council could hold the funds and spend it as directed by the individual client. Clients had to provide receipts and accounts for their expenditure and often did not spend their full amount of DP.
- Social workers would check that money was being spent appropriately and if money is not all spent then the Council would claw this back.
- As a guideline, members asked for an indicator of how much it might cost for someone to attend a day centre. It was suggested this might be £70-80.

The Chairman thanked the Cabinet Member and the officers for attending the meeting.

Children's Services

The Chairman welcomed Mr Warren Whyte, Cabinet Member for Children's Services, Mr Tolis Vouyioukas, Executive Director, Children's Services, Mr Richard Nash, Service Director, Children's Social Care, Mr Nathan Whitley, Head of Children's Care Service and Ms Liz Williams, Head of Finance, Children's to the meeting.

The Cabinet Member highlighted the following points before taking Members' questions:

- The total Children's Services budget was £75million. The budget was monitored regularly to enable any trends to be spotted.
- The main pressures on the budget were 1) Placements – which accounted for a third of the spend and could be pushed up by rises in unit costs or an increase in the number of children coming into the service. 2) Legal costs – although this year a small underspend was currently forecast and 3) staffing costs which again accounted for over a third of the budget. It was however vital that key staff were kept in post and it was important to manage caseloads.
- It was recognised that social worker recruitment was a national issue but the Council were being proactive in this area and taking part in new initiatives.

In response to Members' questions the following main points were noted:

- £250,000 from a review of all services and £570,000 of Early Help savings were on track to be delivered by year end.
- A slight underspend was forecast for the legal budget. It was difficult to predict what new cases might be required through the year, but the majority of legacy cases arising from the Ofsted inspections had now been dealt with.
- Whilst the service had increased spending on in-house fostering by £100,000 this had reduced residential placement costs by £130,000.
- Week on week more children were being placed in-house either through adoption, fostering or the Council's new residential homes. This has been most successful for younger children and it was hoped that this trend would continue.
- 13 children were currently going through the Adoption process and a Member asked if all adoption opportunities were optimised. In response, Mr Whitley confirmed that adoption and other forms of permanence, e.g. Special Guardianship Orders, were pursued and where appropriate, children can return home too.
- The Chairman commented on the variance in unit costs. The Cabinet Member explained that a small change could have a significant impact on the budget, e.g. if you budgeted for one young person to be placed in a secure unit during the year but then had to place two, this alone would drive up the average unit placement cost.
- It was also acknowledged that it was easier to place younger children internally. Older young people coming into care often had more complex needs which could lead to more expensive external placements.

- Every week a Resources Panel chaired by Richard Nash and Nathan Whitley would review placements made in the past week, as well as reviewing existing cases. In addition a Complex Needs Panel met to discuss those children who had special educational needs and/or complex health issues. In this way a holistic approach could be taken to determining the most appropriate placements and costs could be also be shared with Health and Education.
- Head of Finance, Ms Liz Williams confirmed that unit costs would be reviewed during the budget building process for the new Buckinghamshire Council, as well as assessing the success of the Placement Sufficiency strategy.
- The level of agency staff in the service had increased to 30%, with an associated budget pressure of £1million. Mr Nash explained that the service was combining short term measures to recruit additional staff, with longer term initiatives to 'grow our own' social workers. The Council was acting as an Assisted First Year in Employment Academy, taking newly qualified social workers and introducing them slowly to case work, enabling them to build their practice portfolio. This would mean that in 12 month's time, the service would benefit from at least 10 additional social workers, in return for a minimum commitment of two full years of employment, following the initial year in the Academy.
- It was also important that the Council could offer opportunities for career progression and the chance for social workers, particularly those in Child Protection, to be able to take on a different role.

The Chairman thanked the Cabinet Member and the officers for attending the meeting.

7 BUDGET SCRUTINY 2019 - 6 MONTH PROGRESS REPORT

The Chairman welcomed Mr Richard Ambrose, Director of Finance and Procurement to the meeting. Mr Ambrose took members through the six month progress of the Budget Scrutiny recommendations which had been agreed by Cabinet in February. In answer to Members' questions and during the subsequent discussions, the following main points were noted:

- The Chairman commented on the variance reporting produced by the Heads of Finance for Children's and CHASC for the previous item and asked if this increased visibility could be extended across the Council. Mr Ambrose commented that it was possible but the services were very different and discussions were ongoing with district colleagues to determine the best way to present financial information going forward.
- Mr Ambrose confirmed that the building blocks of the budget for the new unitary council had been identified.
- In response to a question about the use of contingencies, it was reported that no contingencies had been released to date, risks were being closely monitored but currently there were no immediate plans to release them. The levels of contingency held centrally were based on previous experience. Ideally it would be good to hold larger contingencies but this wasn't possible as the Council had to produce a balanced budget. Contingency levels would be reviewed as part of the budget building process.
- The Committee's recommendation to incorporate a 5% annual uplift to the capital spend on highways had been rejected by Cabinet. Mr Ambrose explained that this was a political decision but in recent years, when additional monies had been identified, the Council had topped up highways investment to £15million.
- There was a transition budget of £22million - £11million contributed by the County Council and £11million by the four district councils. To date, £13million worth of transition costs had been identified and the Shadow Executive were monitoring the

transition budget regularly. Transition costs would be reviewed during the budget building process as transformational funding would be needed post-vesting day.

- It was noted that the Salix street lighting programme had separate funding lines for street lighting columns and lumieres. Mr Ambrose commented that it was important to consider the programme as a whole and to ensure joined up working around the column and lighting replacement.

The Chairman thanked Mr Ambrose for attending the meeting and it was noted that the Chairman and the Committee and Governance Manager would allocate a RAG status on the progress of recommendations after the meeting and circulate it to members via email.

ACTION: Chairman/Committee & Governance Manager

8 COMMITTEE WORK PROGRAMME

Work Programme

The Committee noted the following agenda items for the November meeting:

- Information and Data Management
- Legal Services Update
- FPR Select Committee – A retrospective

9 DATE AND TIME OF NEXT MEETING

Tuesday 5th November at 2.30pm in Mezzanine Room 1, County Hall

10 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)

11 CONFIDENTIAL MINUTES

The confidential minutes of the meeting held on 18 June 2019 were confirmed as a correct record.

CHAIRMAN