

## **DISCLAIMER**

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## Agenda Item 4a

# Bristol City Council Minutes of Business Change and Resources Scrutiny Commission

Monday 14 December 2015 at 9.30 am

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### Members Present:-

Councillor Lovell (Chair)	Councillor Mead	Councillor Windows	Councillor Kent
Councillor Brain	Councillor Rylatt	Councillor Clarke	

### Apologies:-

Councillor Malnick (Vice Chair), Councillor Weston

**Also in attendance:-** Councillor Gollop (Deputy Mayor)

### Key officers in attendance Business Change:-

Max Wide - Strategic Director, Business Change  
Patsy Mellor - Service Director (Integrated Customer Service)  
Janet Ditte - Service Manager (Finance Business Support)  
Sarah Wilson – Directorate Leadership Team Operations Manager  
Lucy Fleming - Policy Co-ordinator (Scrutiny)  
Louise deCordova - Democratic Services

### Key officers in attendance People:-

John Readman - Strategic Director, People  
Mike Hennessey - Service Director (Care Support and Provider Services)  
Hillary Brooks - Service Director (Interim Care and Support – Child and Families)  
Michelle Farmer - Service Director (Policy, Strategy and Communications)  
Michael Pilcher - Business Partner Finance

### 51. Apologies for absence, substitutions and introductions (agenda item no.1)

Apologies were received from Cllr. Malnick and Cllr Weston.

### 52. Public forum (agenda item no.2)

None received.

**53. Declarations of interest** (agenda item no.3)

None declared.

**54. Minutes – 16 November 2015** (agenda item no.4)

**Resolved:-**

- (i) To agree the Minutes of the Business Change Resources Scrutiny Commission meeting as a correct record.**

**55. Action sheet** (Agenda item no.5)

Progress was noted on actions agreed at the 16 November meeting.

**56. Whipping** (agenda item no.6)

None reported.

**57. Chair's business** (agenda item no.7)

None reported.

**58. Scrutiny Work Programme** (agenda item no.8)

**Resolved:-**

- (i) to note the updates to the Scrutiny Work Programme**

**59. Phoenix Court Citizen Service Point – Service Offer** (agenda item no.9)

The Commission received an update report from Patsy Mellor, Service Director Citizen Services.

The report detailed the impact of changes to the service offer at Phoenix Court Citizen Service Point (CSP), as part of a stepped approach to the transition of services and detailed assessment of potential service delivery options in the future.

In discussion, the following was noted:

- a. An update was given on the impact of previously agreed closures on Wednesdays. It was noted that citizens were choosing to use Temple Street instead of Phoenix Court.
- b. It was noted and agreed to monitor further transfer and further reduce opening days to 2 days per week as outlined in the paper.

- c. Assurance was given that current Phoenix court staff would be transferred to Temple Street on the closure days to ensure that capacity was increased for further footfall.
- d. It was noted that no additional or temporary staff were being used.
- e. Members expressed concern for those who were unable to access services digitally. It was noted that service is not being reduced, but transferred from Phoenix Court to Temple Street. Officers advised that feedback had been received from homeless people who confirmed that it was more effective to communicate via smart phone rather than in writing.
- f. There had been significant planning and a measured approach to implementation. To date no negative feedback or complaints had been received.
- g. The Customer Service Point Strategy will be revisited to ensure that provision matches demand.

**Resolved:-**

- (i) That the Commission continue to monitor the impact of the changes as described in the report.**
- (ii) To add further updates to the work programme when there are any issues or exceptions.**

**60. Scrutiny of 2016/17 Budget**

The Commission was joined by members of the People Scrutiny Commission.

The Commission heard the following motion from Cllr Brain:

The budget information contained within the report provided to the meeting of the Business Change and Resources Scrutiny Commission is woefully inadequate for the purpose of meaningful scrutiny.

The Commission is of the view that if it attempts to begin scrutiny of the budget using the papers provided that it may mislead the public into believing that adequate scrutiny of the Mayor's budget has taken place.

This meeting is therefore adjourned and will only reconvene as and when adequate documentation has been provided along the lines of that which was provided four years ago for the 2012/13 budget.

The Chair requested responses from Officers and Members.

The following points were noted:

- a. The Deputy Mayor reminded the Commission that, there had been significant change since the year-on-year budget scrutiny process, to the development of a three year financial plan model, which allowed for information to be presented in a more business-like way; that members were now in the third and final year of the process which had been accepted and implemented accordingly; and asked the Commission to reject the Motion, in order to take the opportunity for discussion and reserve the option to request further information.
- b. The Strategic Director for Business Change reiterated that the process was consistent with the position adopted the previous year and that this was a consensual process, to focus discussion on additional budget pressures at the end of a three year budgeting process. He expressed some disappointment there had been no prior indication of Member's concerns, with the agenda having been agreed by the Chair at the planning session.
- c. Members emphasised the importance of being able to scrutinise the detailed budget and accompanying commentary to be able to understand which staff were affected and how services were impacted. Whilst sympathetic to the proposed Motion, some Members were minded to listen to officers and then request further detail as necessary, which could be provided after the meeting.
- d. The Strategic Director for People urged Members to take the opportunity to listen to officer's commentary which accompanied the papers they had received and added that there was very little time to gather additional information before the end of budget setting process.
- e. Cllr Brain clarified that the Local Authority had a legal obligation to set a budget each year which must remain distinct from the Council's voluntary adoption of a 3-year financial plan. Reference was made to the Mayor's public consultation which was limited to the capital programme. He expressed concern that continuation of the meeting may lead the public to understand that scrutiny of the budget, in the same vein of 2012/13, had occurred and on that basis repeated the Motion to adjourn the meeting.

The Chair adjourned the meeting for a short recess at 10.15am and elected members and the clerk to the Commission left the room.

The Chair reconvened the meeting at 10.25am.

The Chair read the Motion proposed by Councillor Brain.

The Motion was seconded.

The Chair asked elected members to vote on the Motion.

Votes for: (3)

Votes against: (3)

On the casting vote of the Chair. The Commission

**Resolved: -**

**To reject the Motion.**

The Commission continued with the agenda and considered the draft budget and Medium Term Financial Strategy proposals for 2016/17.

Arrangements for 2016/17 budget consultation report

- a. Officers confirmed that they were awaiting the results of the Local Government Finance Statement which was due for publication on 24 or 25 December. The deadline to submit the budget to Cabinet was 4 January and the 12 January Cabinet meeting would submit the budget to Full Council.

People Directorate budget scrutiny presentation

The commission received a presentation from the People Directorate. The following points were noted as part of the discussion.

- b. Cllr Smith (People Scrutiny) questioned whether officers were aware that major suppliers had withdrawn from the provision of social care services due to insufficient funds being available to run them.
- c. Officers advised that they were in the process of re-commissioning Community Support Services, which was a focus on non-personal care, such as access to leisure or work activity with the objective for increased independence, choice and control over services that people could purchase with their direct payment. Officers confirmed that 93 providers had been involved in the consultation during January and February but that others may have chosen not to engage.
- d. A risk and reward consultation with Ernst and Young had identified a £15M budget pressure by 2017/18 and had suggested possible future opportunities which could mitigate this. Officers confirmed that any recommendations for 2017/18 budget, arising from the consultation would be thoroughly worked up and brought before the People Scrutiny Commission.
- e. Root causes of the budget pressure included i) increased demand, for example, the impact of legislative changes such as the Care Act, which had introduced a duty to assess carers and which resulted in demand which far outstripped budgeted provision. ii) shortage in supply, for example residential placements and support accommodation was not meeting demand. A number of existing suppliers had fallen short of the required standard and officers were working in partnership with the Care Quality Commission to improve these. Post Winterbourne View there were concerns amongst suppliers regarding more difficult placements, for example when a service user was physically very strong but unable to control their own challenging behaviours.

- f. Members acknowledged that approximately 200 people were living in temporary accommodation which equated to a cost of over £800k over the year. Members wanted to know i) how this might compare to the cost of building a house, ii) if more housing was built, how soon could this investment be repaid, iii) could more value be achieved by using the rental sector. **Action: Nick Hooper**
- g. Cllr Smith (People Scrutiny) commented that a recent report had identified that more babies were being taken into care and questioned whether Bristol expected to see an increase in numbers. Officers confirmed that there had been a rise in the numbers of children into care nationally, against a backdrop of good early help intervention with families, along with the financial imperative to keep children at home, or placed with extended family.
- h. Members requested information regarding the expected impact to Bristol of settling Syrian refugees. Officers confirmed that 4 properties had been identified, and a funding settlement and arrangements for the transfer of families to Bristol had been agreed with the Civic Society and Home Office.
- i. Members acknowledged that there was further work in progress to understand the implications of the Comprehensive Spending Review. Officers were investing in better forecasting, demand modelling and predetermined unit costs so that forecasting was as predictable as possible. It was also important to ensure that the Council was paying a fair price for delivery of the right levels of service.
- j. Members raised a number of questions with regards to housing provision. i) would Right-to-Buy have an impact on availability, ii) how many homes had been provided from empty properties iii) had options been explored to identify run-down properties in communities which could be refurbished and re-let at affordable rents for families. **Action: Nick Hooper**
- k. Officers advised that the provision of affordable, appropriate and temporary housing, was increasingly difficult to manage and were working with partners to create a West of England solution. Work had been done to maximise the use of existing stock and of new developments in creative ways. For example, the recent nomination of 60 flats in a new development which equated to 10% of the new stock; or the investment to future proof provision of new Dementia Care Homes and Extra Care Housing by including supported housing.
- l. The Assistant Mayor for People Directorate confirmed that work was progressing towards a future audit on empty houses, identifying the use of compulsory purchase orders where necessary. Some compulsory purchase orders had already brought together social enterprise working with ex-prisoners to bring some properties back into use.
- m. The Chair concluded that the presentation had provided an overview which resulted in a better understanding of the current and future position, but commented that without a detailed breakdown of the budget, it was not possible to ask probing questions and therefore did not provide value in terms of scrutiny.

Members emphasised that officers should provide more detail at the budget session on 4 January 2016 which could include a breakdown of anticipated savings, commentary on the expected impact on the way services were provided and any planned mitigation proposals.

#### Business Change Directorate budget scrutiny presentation

The commission received a presentation from the Business Change Directorate. The following points were noted as part of the discussion.

- n. Noted that the Business Change budget represented 10% of the Council's Budget and was not generally subject to substantial fluctuations. Income, in the main related to internal recharges however some services; for example Legal Services, had won external contracted income of £200k to provide services to the Avon Fire Service and there was the potential for work of this nature to grow further.
- o. Substantial investment in the professional development of service managers had enabled a more creative approach to service redesign. This created joint ownership of the solutions and increased momentum for successful implementation and delivery of resulting benefits.
- p. Members queried the savings made to information and communications technology (ICT), commenting that investment in this area would generally result in enabling future savings. It was noted that the presentation included mainly business as usual figures as the invest-to-save technology was accounted for within the Change Programme.
- q. Members requested further detail as to the breakdown of the Policy, Strategy and Communications Service as this can sometimes be a contentious area of spend. **Action: Max Wide**
- r. Members noted that there were opportunities for Business Change to be ambitious in its future delivery of transactional services either via the sale or provision of professional services to other sectors; or through the merger of services with other organisations driving economies of scope and scale; it was emphasised that that any future proposals needed to be developed alongside a reduction in cost of delivering those services.

#### **Resolved:-**

- (i) To note the People and Business Change presentations.**
- (ii) Officers to provide additional information for the Budget Scrutiny session to be held on Monday 4 January 2016. Members to contact the Scrutiny Coordinator to collate particular requests.**
- (iii) An update to be provided outlining the impact of the Comprehensive Spending Review and Local Government Settlement when this was known.**

**Date of Next Meeting:** Monday, 4 January 2016, 4pm

(Meeting ended at 12.35 pm)

CHAIR