

Resources Scrutiny Commission – Budget Scrutiny Meeting Part 2, 1st February 2022

Minutes of the Meeting

Members present:

- Cllr Geoff Gollop - Chair
- Cllr Heather Mack – Vice Chair
- Cllr Tim Rippington
- Cllr Zoe Goodman
- Cllr Mark Bradshaw
- Cllr Martin Fodor
- Cllr John Goulandris
- Cllr Christine Townsend
- Cllr David Wilcox
- Cllr Tim Kent

Cabinet Members in attendance:

- Cllr Cheney, Deputy Mayor and Cabinet Member - Finance, Governance and Performance
- Cllr Holland, Cabinet Member - Adult Social Care and Integrated Care System
- Cllr Ellie King, Cabinet Member - Public Health, Communities and Bristol One City
- Cllr Don Alexander, Cabinet Member - Transport
- Cllr Asher Craig, Deputy Mayor and Cabinet Member - Children Services, Education and Equalities
- Cllr Nicola Beach, Cabinet Member - Climate, Ecology, Waste and Energy

Officers in attendance:

- Mike Jackson, Chief Executive
- Denise Murray, Director of Finance
- Hugh Evans, Executive Director: People
- Christina Gray, Director: Communities and Public Health
- Alison Hurley, Director Education and Skills
- Michael Pilcher, Chief Accountant
- Johanna Holmes, Scrutiny Coordinator

Apologies for Absence

- Cllr Gary Hopkins
- Cllr Mohamed Makawi

Declarations of Interest

- none

The Chair began the meeting by confirming which areas of the budget would be considered during the second part of this reconvened meeting. They were as follows:

- People Directorate
- Adult Social Care
- Children and Young People Social Care

- Direct Schools Grant (DSG)
- Resources Directorate
- Savings

The Chair then asked Members if they had any comments about the notes from the first part of the meeting that had previously been circulated to them. There were none. The Chair asked if the Members were happy with them and for them to be circulated, which they were.

The Chair asked officers for some clarification about the Heat Networks Business Plan that had been withdrawn from the Overview and Scrutiny Management Board (OSMB) meeting agenda on the 9th of February and whether this delay would have an impact on the Council's Capital Programme. The Director of Finance said that the Capital Programme had a programme area aligned to the Heat Networks and it wasn't anticipated that would change.

The Chair asked a further question about the recent press release about Goram Homes and homes being built at Hengrove. Was this reflected in the Capital Programme funding for Goram Homes that Members looked at last week? The Director of Finance said the programme as it currently stands reflects current arrangements and pipeline activity that will encompass the business plan activity for 2022/ 2023. The Capital Programme will also have the details in terms of the Hengrove programme and will be contained within exactly the same financial envelope as was previously set out.

The Chair asked what the last date on which the Council could legally set a budget. The Director of Finance confirmed that due to the work that needed to be carried out after the budget was set and before the council tax demands were sent out, setting the Council's budget 2nd March was last day that would leave enough time.

Adult Social Care

- Member began by stating they were supportive and understood the service was demand-led, and that would therefore lead to overspends. They asked if the Cabinet Member for Adult Social Care and Integrated Care System if they were confident that next year's budget would work? Also, they were aware some changes had been made, for example, more people being cared for in their own homes and asked if they could elaborate on those changes? Councillor Holland, Cabinet Member for Adult Social Care and Integrated Care System thanked the Members for their comments but said she understood that some people were sceptical because not everything that had been planned had materialised because of such huge additional pressures on budgets from Covid. The point about more people being cared for at home was correct yes but they had been trying to shift things in that direction prior to the pandemic. They had also brought in what was then the 'Bristol Rate'. Covid had exacerbated the perception that care homes were not a safe place to live. There were also said to be many workforce shortages. The community and voluntary sectors were making a valuable contribution but it was said they needed financial support to be able to continue providing that. The Community Meals service which also included a 'wellbeing check' was highlighted as a way to support people to continue living in their homes. The extra support provided could mean putting off date that people go into care for another year; that was better for them and the Council she said.

A Member asked about the Community Meals service and the proposed £100k saving on that budget; how did the Cabinet Member see that working? The Cabinet Member spoke highly of the service and those delivering it and said she believed it would work, adding that some neighbouring local authorities were considering sourcing meals from the Bristol Community Meals Service.

The same Member asked for clarification stating it was listed as a budget saving but the plan was still to grow service?

The Chief Executive welcomed the recognition of the pressures ASC was under, but at the same time noted that the Council needed to keep looking at the model of service and where it can make efficiency savings as Bristol remained relatively high cost when benchmarked against similar councils.

The Chair asked if the Cabinet Member felt they had identified where pressures will come from moving forward? It was replied that worker shortages in the sector were the pressure she was most concerned about but there would need to be an improved pay offer before more people would take these types of jobs.

The Executive Director for People said via the Better Lives at Home project they had seen a significant change in delivery with a shift towards domiciliary rather than institutional care. However, during the pandemic they had also seen significant increase in the demand for and cost of the provision of care support for younger adults with high mental health problems and this had led to a cost pressure of around £4m per year. It was also said that the number of older people balanced against the number of younger adults has moved from about a 60/40 split to about a 50/50 split, so the Council is now serving about the same number of younger people with care needs as older people. There was also currently a shortfall in the services available to provide care in Bristol and people were having to access them out of the area, which typically cost more. There were said to be things that could be done that could help mitigate that demand, and some of the things in the budget and the transformation plan were for that purpose.

A Member asked about Adult Social Care savings 2 and increasing the return of unused Direct Payments by £500k; what was the size of the current contingency fund and how many applications did it receive every year? And why wasn't the Council highlighting its availability more instead as opposed to cutting it? The Cabinet Member said they were not cutting it as such and it was being promoted. They were working with WECIL (The West of England Centre for Inclusive Living) on this as well. It was about monitoring the use over a period of a year and only clawing back what is not used.

The Executive Director said that he would come back to Members with figures but stated that any recouping of contingency funds would happen following a review that involved the service user. It would not be against people's will and they would have the relevant conversations first.

- ASC 12: Concord Lodge. A Member asked why the Council was make savings by closing this facility. The Cabinet Member said that the plan was not to close it but rather for another organisation to run it instead. Members said the Equalities Impact Assessment (EqIA) stated the proposal was to close it. The Executive Director said that the text in the EqIA was incorrect then. They were developing the specification to put to the market for specialist providers to support people with very high needs and they wanted to attract the best providers. A report was taken at the recent Cabinet Meeting on the proposed partnership arrangements and would mean that providers cannot play local authorities off against each other.
- ASC6 Rehabilitation Services, closing South Bristol Centre. Members asked what were the actual changes? The Cabinet Member sited the recent previous Cabinet Meeting report again and said there had been much interest in this. The Council had no statutory responsibility for rehabilitation centres. It hadn't been possible to do short-term secondments so they had looked at TUPE staff instead. However, the questions raised couldn't be answered until a decision in principle had been made. It was said there was a very long explanation and was so much more than closing the facility.

A Member asked what would happen to people that would have gone there and it was said they would go to South Bristol Community Hospital.

The funding arrangements with the Clinical Commissioning Group (CCG) and NHS were discussed and were said to be very complex as was the whole health and social care system of funding. The Executive

Director offered Members the opportunity further explain the funding arrangements to them in a separate session if it would be helpful to which they agreed. It was suggested this could include GP services as well.

A Member asked about saving S117 and staff assessing service users. They referenced the Equalities Impact Assessment (ASC12 EqIA) for this and specifically Black and Minority Ethnic (BME) people's poor mental health. In their view the assessment had not gone far enough or required some further work. The Director said he agreed this was an important issue, they were right to raise it and was very happy to revisit it.

- A Member asked about the time frame and expectations of the review into Home Choice. He said it was known that housing is a massive issue for people with adult care needs and also mental health problems can be triggered by being on waiting lists. He also asked about investing in technology which he pleased to see and wondered if there was scope to support local schools and jobs, as the area has a thriving tech sector

The Cabinet Member said the proposals for this budget had been very very difficult. Colleagues had worked incredibly hard on this to try and meet people's additional needs that weren't currently being met for example with regards to the correct assessments for banding. This had led to some very expensive housing from other providers being used. So, the idea of using the Council's own stock to support residents with adult social care needs was a good one with better outcomes. 40 people would be moved in this year and hopefully another 150 people next year.

With regards to technology to support people care needs in their home the Cabinet Member agreed that there were some fantastic developments being made locally and we needed to be using more of it.

The Chair asked about the technical enabled care and about workers not spending so much of their valuable time travelling back and forth across the city to different service users. The Cabinet Member said she completely agreed but said unfortunately workers were still having to travel back and forth across the city. She said the more home care there is the better. The Council could then work with providers to enable it to become more localised and travel time would be such big issue anymore.

The Chair thanked the Cabinet Member and Executive Director.

Actions:

- A session to be organised for Members to discuss ASC CCG and NHS funding arrangements with officers.
- Officers agreed to revisit the ASC12 EQIA.
- ASC 2 - savings on Direct Payments of £500k: Officers to provide more detailed figures on Direct Payments saving.

Public Health

Members asked for clarification about why Public Health (PH) funding was being passed to the One City Office; what funding was this and how would it be used?

The Director of Public Health said that it was to invest in what were called the 'wider determinants of health'. If Bristol didn't already have a partnership such as the One City partnership it would have had to create one. The board and partnerships enabled all sorts of things to work together. It was said they could have invested in the internal team but as we have this fantastic convening facility supported by many institutions across the City such as universities and other local organisations, it is very good value for money and it was therefore possible to buy greater stake in health and wellbeing of the City.

Direct Schools Grant (DSG)

- There was a discussion about the arrangements relating to the accumulation of the deficit, which included whether the Safety Valve was accessed, and what the arrangements would be to manage the deficit after 2022/23. The Cabinet Member for Children Services, Education and Equalities, advised Members that she and the Mayor had written to Government to bring the growing deficit to their attention.

Members heard that financial support from the Department for Education had been offered to some Authorities to reduce the deficit; and that the Council had already taken steps that the Safety Valve criteria required.

The Director of Education & Skills advised Members that the self-assessment against the Safety Valve criteria was published and went to the previous Schools Forum.

The Cabinet Member stated the deficit was due to the growing need in the city; that the culture needed to change in the City about the way high needs provision for children with special educational needs (SEN) was addressed. Expenditure on mainstream education which enabled children to remain in mainstream was the focus, as was investment in high needs provision locally which was more cost-effective. There was a need to speak with parents, school, academies across the city about SEN provision to enable culture change in the city.

Members were advised that the Council had seen increased applications for Education Health and Care Plans, and that there was just 3.3% uplift in the overall block.

The Commission heard that the Dedicated Schools Grant Management Plan and discussions around the deficit and mitigations had been at Schools Forum, and this would be taken back again in March.

The Commission heard that, at this point, there was a level of protection with regard to the deficit, accounted for within the Council budget; this would fall away in 2023, and so there was a need for contingency to cover that which would add pressure to the budget.

The Director of Education and Skills advised the Commission that the Schools Forum had consulted with all schools and settings during the course of the budget setting process; there was the flexibility to allocate money between the blocks annually and this was the last year this could happen. If the national funding formula came in next year (which was the intention) then it would be fixed. This year, which followed previous years, there was additional funds directed to educational needs factors.

- There was a discussion around a shortage of special school places, and whether this meant a higher need for independent school placements, and the Cabinet Member advised members that as part of the Education Transformation Plan, the use of capital funding to invest in additional SEN provision had been considered, and that there were conversations with neighbouring Authorities which enabled a collaborative approach for children who needed independent provision, and that the preference was this was provided locally rather than miles away.

The Cabinet Member said that extra resources and SEN staff enabled an improvement in delivery of EHCPs, although it was recognised there was a lot of pressure across the system which impacted meeting the 20 week target, and that the system was in need of reform.

The Director of Education advised the Commission that in terms of the number of EHCPs in the system, Bristol was low compared to statistical neighbours and nationally and this was due to the lag in response to the 2014 reforms in Bristol, and, positively, as a local authority with access to non-statutory top up funding, an EHCP was not needed in order to have received resources to received support in the mainstream setting. Authorities that had moved away from that saw a significant increase in requests for EHCPs. This showed that there was a balance between a need for funding of earlier, non-statutory intervention, and also resources that ensured effective EHCPs for those young people who required one.

Members were advised that this was a whole system response over a number of areas, and the self-assessment against the Safety Valve recommendations looked at each of those areas and a lack of sufficiency in terms of specialist provision was part of that.

Members heard that the more Bristol's provision could be increased the better value spend was for places that supported those young people. Also, the more that was done to enable mainstream schools to meet a wide diversity of special educational needs and that families felt confident they did not require a special education place, the more effective the end-to-end system would become.

The Cabinet Member stated that with data, local authorities were able to plan ahead, and early intervention and provision of appropriate services could be provided over a number of years. The Commission heard that this was done jointly between local authorities in 2010 although the joint commissioning process returned to individual processes, but it was important to return to joint approach with neighbouring Authorities, and conversations had begun to enable this.

- There was a discussion around the savings in Home to School transport commissioning - £284k savings and it was confirmed this was in relation to third party spend. Members were advised that the policy and efficiency savings around the Homes to School Transport would be revised; that affordability of any proposed contributions would be considered and this would be consulted upon.

Members were advised that the home to school transport was a combination of private hire and buses, and that occupancy of seats could not necessarily be optimised for different reasons, which included a young person's needs.

The Commission was provided with an overview of areas the Council had applied discretion in setting the 22-23 budgets.

- Members were advised that, within the schools funding formula, there were mandatory areas such as minimum per pupil rates; and regarding the national funding formula, at the moment there was a small amount of local discretion in terms of how some of the funding could be allocated.

Members heard that some of the decision-making sat with the Schools Forum and some sat with the Council and the adopted approach was that all schools and the Schools Forum were consulted and Members were advised the Council had supported proposals and recommendations from those mechanisms.

The Commission was told that the discretion would not be available after the move to a hard funding formula; this would have a significant adverse impact on some schools – further details would be made available if this happened.

- There was a discussion around the £6m needed for this September to increase the number of Year 7 places for September 2022; this increased the existing estate and new secondary provision was planned for 2023. The increased specialist provision continued within the existing estate.

- Members heard that at the moment secondary provision was as much a priority as specialist; that there was an awareness of the challenge of excess secondary provision, and the Council was in conversations with school leaders around repurposing the provisions as we moved forward.

Actions:

- The self-assessment against the Safety Valve criteria be circulated to Members.
- Members be provided with what the split of the combination is of private hire and buses for home to school transport, and details of whether the vehicles are optimised for occupancy.

Resources Directorate

- The Chair asked for some further clarification about one the replies to the budget questions he had submitted ahead of the meeting regarding what was the summons and overpayment income that was lost. How did the Council receive an income from issuing court summons? The Director of Finance explained that when a summons is issued a cost is also added for the debt collection activity, which is £79. There was an income line within the budget which was forecast to be at a certain level but there were back-logs on the court's recovery activity due to the due to Covid-19.
- A Member asked about saving R1 - Reduce Customer Service Point Budget. How was the Council going to save £165k from this service? The Cabinet Member said the plan was to move towards being more supportive via various other means such as instant messaging, so resources could be freed up to spend more time supporting those who did need to speak to someone directly or in-person. Members asked assurances that those people who needed that face-to-face support would still receive it. It was confirmed that there would be no changes to accessibility and there would be a range of ways provided for people to access the service.
- A Member asked for confirmation that there were no cuts to the museum service in the budget this year? is that right? The Cabinet Member replied that there were some staffing reductions within the culture team but not the actual services.
- A Member asked for further clarification about 'R29: Seek additional small contribution from the from external partners for running the City Office'. It was noted the report said it was seeking 5% over and above the plans for a 50/50 split between the Council and external partners.

Members were informed that when the City Office was first launched, the intention was it would become co-funded. The current target is for 50% of the City Office budget to come from external contributions and progress this year has taken us close to that target for 22/23. The 5% target was for additional contributions over and above that.

Members highlighted the recent invitation for partners to join the One City boards and asked if it would affect their chances if they didn't have funding to contribute? The reply was no it wouldn't, it was an open invitation it didn't matter if they were financially contributing.

Members then asked about the One City governance review that had been mentioned during the discussion and what role there was for the Councils scrutiny Members to be involved in that?

The Cabinet Member for Public Health, Communities and Bristol One City said that One City was never intended to be a Council body and that it was a partnership body. The long-term plan was for the Council to move further away from it and in future other partners would then take more of a lead.

Members said on top of the significant of resources that were put into it, officers were also working to One City policies and there was concern that they weren't scrutinised the way other Council policies were.

The Chief Executive reminded Members that the Head of the City Office attended scrutiny on an annual basis to talk about the One City Plan, when Members have had the opportunity to consider and comment on the Plan. Members also had the opportunity to scrutinise those actions that are the responsibility of the Council through their review of business plans and service plans which will be coming through the scrutiny process over the next few months.

The Chair stated that OSMB had also previously said that it wanted to be more involved. Also, many Ward Members felt aggrieved that they were excluded from involvement on the boards. He said he welcomed the invitation to attend the board meetings and the governance review and asked who had commissioned it? Members were informed that the One City Office had commissioned the review. The Chair suggested that if the Council was paying for half of the governance review then it should not be unreasonable for scrutiny Members or even the Audit Committee to have the opportunity to scrutinise it. This discussion was he said immaterial to the scope of the budget but very significant in terms of the direction of the City and the role of One City. He looked forward to a constructive discussion on this at a future OSMB meeting.

- A Member asked about R19 and the question she had submitted before the meeting regarding modernising trade union facility time and arrangements and the reduction in the budget from £195k to £50k and asked for confirmation that the remaining budget would only be used as a contingency for national or regional requirements, was that correct?

Officers said that the expectation was that services and departments would absorb the costs and enable the unions activities as agreed in the new modernised facilities agreement. The Member referred to the written response she had received and asked how it was possible to have a facility with no budget and that the response had been slightly misleading. The Cabinet Member agreed the written response had not been worded very well and it was not what had been discussed.

It was then asked if facility time would be permitted for union officers to attend non-BCC meetings such as branch meetings? It was said that would be dealt with as part of a new agreement was on facilities time. The Member said what was being suggested in the response negated to recognise much of what branch officials need to do to fulfil their roles. The Chief Executive confirmed that the status quo would remain in place until a new facilities agreement had been reached.

A Member asked a follow-up question; would that not mean putting even more pressure on departmental budgets and managers to authorise when it's coming from their budget rather than a corporate budget and would this not cause more tension when budgets are already very tight? The Chief Executive confirmed there was a need to work with managers to ensure that it was done in a way that could be accommodated, recognising that the costs would have to be absorbed across the council in order to make a contribution to the challenging £19.5m savings target.

Actions:

- Savings R1: reduce Customer Services budget. Members asked how this was going to be done. It was agreed that further information would be provided to Members.
- R29 One City: seek additional funding from partners over and above 50/50. Members asked what was the current split and was and what were the proportions. Action: Officers said they would need to check that figures and would provide a more detailed answer for Members after the meeting.

The Commission then went on to discuss the format of their comments to Full Council. At this point officers and Cabinet Members were informed they were free to leave the meeting if they wished to as there wouldn't be any further questions. They were thanked for their attendance and in-put into the meeting.

The Chair asked Members to help outline and agree which budget areas of significance and those they had common agreement on which would therefore be highlighted in the statement to Full Council. The areas outlined were summarised as follows:

- One City
- Concerns about Trade Union time
- Schools - High Need Grant
- The amount of savings required on top of previous savings and efficiencies and also at relatively short notice. Although they have been RAG rated there were significant risks before they would be realised.
- Shared concerns about the staff reductions on top of previous reductions and management pressures. Also, the risk of losing high quality officers.
- 20% of vacant posts being deleted.
- Accessibility of the budget information and difficulties in cross referencing.
- Not enough detailed information provided to suggest budget amendments.
- ASC efficiencies not being met is a risk. x
- Quality of work on HRA budget to be included
- Capital Programme Delivery
- Reserves
- DSG

The Chair thanked everyone for their contributions and closed the meeting.

The meeting finished at 6.30pm