

**Minutes of Policy Development and Scutiny Panels discussion of
Medium Term Plans and 2014/15 Budget Update Report**

RESOURCES PDS PANEL – 18TH NOVEMBER 2013

Andrew Pate, Strategic Director – Resources, introduced the report. He explained that two extra appendices ‘Resources Department Structure Chart’ and ‘Resources Department Objectives’ had been tabled at the meeting (this information is available as part of the agenda pack on the website).

The Panel raised the following points and asked the following questions:

Councillor Barrett asked about the targets set for the Roman Baths. He asked why, if the increase in visitors this year is seen as exceptional, the targets are being pushed year on year. The Director stated that the targets are in line with what is happening and it will become clear if the trend continues. Councillor Gerrish stated that quality as well as quantity should be valued. The Cabinet Member stated that the Head of Heritage Services believes that one million visitors is the maximum that could safely visit the Roman Baths. He stated that the Council, through the Capital Programme, invest in the venue every year to make sure it is always a new experience. The Panel congratulated Stephen Bird – Head of Heritage Services - and the staff at the Roman Baths on their success.

Councillor Gerrish asked why a Tourism Levy would be voluntary. The Divisional Director for Business Support explained that the Council has no statutory power to enforce this.

Councillor Gerrish asked about the Legal and Democratic Services saving, the Strategic Director explained that there is a significant legal spend that is outside the department. Councillor Gerrish asked that money should not be counted twice. Officers noted this point.

Councillor Anketell-Jones asked about the 20% reduction in staffing in the Property Department. The Strategic Director explained that the savings had already been substantially achieved through restructuring. He stated that it would be monitored.

Councillor Paul Fox asked if there could be a revenue savings column in Appendix 3 for future years. He also asked if officers had any plans beyond 2015/16 and if so, what was it? The officer explained that some capital schemes go on to 2017/18. He also explained that officers anticipated challenges for the revenue budget beyond 2015/16 and that SMT (Senior Management Team) are talking about how to deal with these challenges.

Councillor Anketell-Jones asked about LEP, he asked how the accounts are scrutinized. The Strategic Director explained that it has a small core activity that is likely to become a company that would be subject to external audit. He further explained that expenditure through the West of England would be scrutinized by this authority's auditors and any capital projects would go through the relevant local authority budget process. Councillor Gerrish commented that there was no scrutiny by elected members of the core structure function in the West of England. Councillor Fox added that he felt that decision making is separate from accountability.

The Panel supported more scrutiny of the LEP decisions and finance.

HOUSING AND MAJOR PROJECTS PDS – 19TH NOVEMBER 2013

The Head of Housing introduced this report to the Panel. He reminded the Panel that they were only allowed to debate the elements of the plan that related to Housing.

He highlighted some of the efficiency savings and service reductions for them.

£25k saving from ceasing the voluntary Accreditation Scheme for private rented accommodation.

£26k saving from a reduction in staffing capacity in Housing Services.

The Accreditation Scheme provides landlords & tenants with reassurance that a property meets minimum standards. Proposed additional HMO licensing areas cover a significant proportion of the accreditation properties. – as a result, the voluntary scheme will be stopped. Reduction in staffing capacity is likely to result in increased waiting times for some housing services.

£39k worth of savings identified from the customer services work stream which looks at redesigning the customer pathway, making better use of IT systems and implementing streamlined processes (including family information). These savings were predicated on a number of assumptions around the corporate provision of IT systems and other services. So far the delivery of these systems has fallen short of expectations. As such the required saving is unlikely to be made through “efficiency” measures. Plans for delivery of an equivalent saving, through service reductions, are being worked on.

The Panel **RESOLVED** to note the report.

PLANNING, TRANSPORT AND ENVIRONMENT PDS – 20TH NOVEMBER 2013

The Strategic Director for Place introduced this item to the Panel. She wished to highlight certain points from within Appendix 1.

Place Directorate – Key policy context changes:

- To progress the Core Strategy through the further stages of the Examination in Public to Adoption so that the National Planning Policy Framework no longer takes precedence over the Council's own policies.
- Developing the Enterprise Area Master Plan which will focus where future mixed use development opportunities exist that takes into account the Core Strategy requirements and where future expenditure will be targeted, linking in the West of England (WoE) City Deal and other funding opportunities, whilst also ensuring the effective and efficient disposal of land and property.
- Developing the Bath and Keynsham Transport Strategies to support the significant growth in homes and employment that is being promoted through the Core Strategy and further developed in its Placemaking Plan.
- Ensuring the Place Directorate is compliant with the new Council Procurement strategy with a "Think Local" theme.
- Developing the Leisure Strategy to provide direction for the procurement of a leisure provider during 2014, thus ensuring they meet our local needs and priorities.
- Developing an Economic Strategy that will also encompass tourism, arts and cultural activities including key events, as these functions also have a major impact on the local economy.
- Further reducing waste sent to landfill sites by recycling and recovering residual waste.
- Seeking further opportunities to share services including the procurement of shared contracts with other local authorities.

Councillor Lisa Brett commented that she welcomed the approach to integrate strategies. She asked if the Council could afford the new capital projects.

The Strategic Director for Place replied that funding for a lot of them was provided through external grants, with the Enterprise Area being just one example.

Councillor Les Kew commented that he believed the investment made in Heritage Services was key to its recent success.

The Strategic Director for Place replied that the intention was to continue to grow the heritage attraction of the City.

Councillor Charles Gerrish asked for further information on the £1.2m allocated to the Midsomer Norton Business Centre in 2015 / 16.

The Strategic Director for Place replied that income associated with the Business Centre would pay for that figure.

Councillor Charles Gerrish asked why Rossiter Road was absent from the Plan and is the current budget associated with the scheme sufficient.

The Strategic Director for Place replied that the budget is in this year's allocation and the scheme was being prepared in the knowledge of the funds available. The tender process would confirm the final cost.

Councillor David Martin asked how the Council would be achieving its corporate objectives in terms of sustainability.

The Strategic Director for Place replied that it is a key component and for example we are investigating the use of District Heating and potential grant opportunities through the Department of Energy & Climate Change (DECC).

Councillor David Martin commented that the European Union was about to launch a project named Horizon 2020 and suggested that the Council looks at how it can become involved in it.

The Strategic Director for Place thanked him for the information and said involvement in the project would need to be assessed around the priorities of the Council.

The Chair thanked her for the update on behalf of the Panel.

WELLBEING PDS – 22ND NOVEMBER 2013

The Chairman invited Jane Shayler to introduce the report.

Jane Shayler took the Panel through the report by outlining that the first part of the report is the same to all Medium Term Plans presented to PDS Panels. The whole Council is required to make additional savings of £4m in 2014/15 in order to balance the books.

Appendix 1 of the report sets out the additional Adult Social Care and Housing savings details for 2014/15. Page 51 of the report shows the additional savings of £500k and £280k. Jane Shayler gave, as per the report, an update on the additional savings.

The Panel made the following points:

The Chairman pointed to page 44, and the bullet point about Integration Transformation Fund (ITF) and asked if £9.8m is all that this Council will get from the government.

Jane Shayler responded that those figures were not confirmed yet. The ITF detailed guidance, by the Department of Health, is expected to be available mid- December this year. The finance officers have made some reasonable assumptions on the amount that is likely to be allocated to this area. That is based on the experience of how the national allocation usually converts to local allocation for B&NES. It is an informed estimate though the Council and Clinical Commissioning Group cannot be absolutely certain until the the funding allocations and detailed guidance are issued. Jane Shayler reminded the Panel that the ITF does not come into effect until 2015/16. The challenge is that every area has to agree plans for the investment of that fund by the end of this financial year. There is a process to navigate those plans through – the plans do need to be signed by the Clinical Commissioning Group, the Council, NHS England area team and the Health and Wellbeing Board.

Jane Shayler said that the figure of £9.8m is the best estimate of how much will be available locally as is the maximum of £1.2m which represents new money into the local health and social care system.

The Council is already receiving funding in support of demand pressures in the health and social care system, which is usually referred to as “Section 256” money. The Section 256 money is already invested in services, such as re-ablement services, 7-day social work services, and some therapy services in the hospital and similar.

Jane Shayler informed the Panel that one of the significant differences in the ITF is that it will go into a pooled budget is likely to be administered by the local authority.

The Chairman read out Risk & Opportunities section on page 45 and said that the section should be more focused on B&NES than London though it is a measure on what might happen in this Council.

Jane Shayler reminded the Panel that an update on the Care and Support Bill is scheduled for January 2014 meeting of the Panel. On national level, most local authorities are saying that although they welcome the changes in the Bill/Act it does also represent an additional financial burden for local authorities. There will be pressures on the local authority and any other organisations that work on behalf of the local authority to deliver adult social care. The most significant provider of adult social care services in this area is Sirona, who are likely to undertake higher number of assessments of carers’ needs.

The Chairman said that the Panel's task is to scrutinise the Medium Term Plan but there are limitations because if the Panel wants to amend anything then it has to be compensated from somewhere else.

The Chairman commented that information provided on pages 49-53 is denial of services and loss of frontline services.

Councillor Organ commented that a lot of good work had been done by officers to identify savings and it should not be understood as a guess work.

The Chairman acknowledged the good work done by officers but he was not comfortable with the proposed reduction of services for the most vulnerable people.

The Chairman said that the Panel made a resolution last year that the current administration should offer more support to Adult Social Care and Housing Services.

Councillor Clarke agreed with the Chairman's comments and said that the Panel should continue to support the same position they had last year. Councillor Clarke said that the Panel should recognise that it is very difficult to alter the current plan but Adult Social Care and Housing need to be handled in different way. The Panel should make it clear that they do not think that one size fits all type approach is satisfactory.

It was **RESOLVED** the Panel were uncomfortable with officers being obliged to implement the cuts that have an adverse effect on the most vulnerable.

The Panel also **AGREED** to send the message to the Cabinet, in particular to Cabinet Member for Resources, to identify funding elsewhere in the Council to support Adult Social Care and Housing.

EARLY YEARS, CHILDREN AND YOUTH PDS – 25TH NOVEMBER 2013

The Deputy Director for Children and Young People – Strategy and Commissioning introduced this item to the Panel. He wished to highlight some of the bullet points from within Appendix 1.

- Changes to the role of the Local Authority in Education – with a number of schools becoming more autonomous academies, the development of Teaching Schools and a Studio School, changes to school funding regimes and some responsibilities shifting from the Authority to schools. However, the demands placed upon the Children's Service in its Education role remain significant including increasing pressure from Ofsted that the Local Authority challenges Academies in relation to pupil progression and achievement, attendance and exclusion;

- Changes in Ofsted and other relevant inspection regimes, it is acknowledged that the new inspection framework which came into operation on 1 November has “raised the bar” in relation to Local Authority performance and it is clear that the Government intends to use this framework to drive up standards and performance whilst financial resources are constrained.

Structural Changes

- Key efficiency savings including achievement of £200K management savings;
- Development of an internal commissioner/provider discipline, enabling more integrated approaches to commissioning services across children’s, adults’, public health and health services through our Joint Working Framework;
- Exploring opportunities for shared service approaches to school improvement with North Somerset

Risks & Opportunities

- The DFE are intending to introduce a National Funding Formula (NFF) which will alter the funding allocations of all schools on a national basis. The results of the new funding formula may provide additional or reduced resources to schools and academies in Bath and North East Somerset. The introduction of the NFF will be consulted on by the DFE in January 2014 and early indications suggest that the results of any funding changes may be positive for schools in Bath and North East Somerset. However, it is likely that whilst there may be an overall gain from redistribution towards Bath and North East Somerset as a whole there may be individual schools that see a reduction.

The Chair invited Councillor Vic Pritchard to address the Panel. He said that following the discussion held at the Wellbeing Panel he was of the opinion efficiency savings had almost been exhausted and that cuts to services were now more apparent. He added that this was a criticism of the administration and not the officers and asked the Cabinet Member for Resources to re-configure the budget to aid the vulnerable and the young.

The Chair asked for members of the Panel to highlight any concerns they had to the Cabinet Member.

Councillor Liz Hardman commented that she was concerned by the removal of £65,000 from the School Improvement and Achievement Services.

She also stated she was concerned by the following lines in the Plan:

- Removal of £30,000 from the Children Missing Education Service as this would lead to little preventative work on behalf of schools.

- Removal of £60,000 from the Schools Capital and Reorganisation Team.
- Removal of £175,000 as part of a reduction in commissioned services.
- Withdrawal of £2.335m associated with the whole service re-organisation of Children's Centre and Early Years Services.
- Removal of £50,000 from the Music Service
- Removal of £65,000 from Safeguarding, Social Care and Family Support Services
- Removal of £62,000 from Family Support

The Chair thanked Councillor Hardman for her comments and asked that they be passed to the Cabinet Member for Early Years, Children & Youth and the Resources Panel.

ECONOMIC AND COMMUNITY DEVELOPMENT PDS – 28TH NOVEMBER 2013

The Chairman invited Louise Fradd (Strategic Director for Place) to introduce the report.

Louise Fradd introduced the report by saying that this is the second year of a three year plan. Page 32 of the agenda had some of the key issues addressed in the directorate.

Members of the Panel confirmed that they had all received an updated version of page 35 of the report (as amended and published on the Council's website).

The Panel asked about the latest on the Victoria Art gallery.

Louise Fradd responded that the Council is constantly reviewing this matter, though at the moment, the gallery was not doing that badly and hopefully it will continue to do well.

Louise Fradd also informed the Panel that the Divisional Directors interviews will happen before this Christmas.

The Panel asked about linkage between planning, building control, highways and environmental services together with the economic development drivers and the ability for the Council to create money.

Louise Fradd responded that she will be holding a workshop with the managers from her directorate, and one of the key aspects of that workshop

will be what are the income drivers and what is it that the directorate needs to do to fit in the new environment (Enterprise Area, City Deal, West of England, etc.). The aim of the workshop will be to make everyone think about their budgets and how to work together. Louise Fradd also pointed out that services are working with each other from other directorates.

Some Members of the Panel asked Louise Fradd if she would commit not to close the Victoria Art gallery.

Louise Fradd responded she could not answer that comment though she will do everything to deliver the targets.

Councillor Stevens added that the Council is working quite close with the gallery to ensure that their footfall is maintained and that the Council will continue to work with the gallery to make sure that they are looked after.

The Panel asked Louise Fradd how confident she was that there could be further efficiency savings.

Louise Fradd replied that her priority is to meet statutory requirements in service provision. It is also all about officers thinking around wider picture, thinking more imaginatively on what the Council does and whether it can be done in other, more visionary ways. For example, the Council is now charging pre-planning application and that works quite well.

The Chairman summed up the debate by saying that the whole issue is about generating money ourselves if we don't have as much money to spend, and looking at ways we can bring in other sources of funding.

Discussions last year were if the cuts from last year were sustainable and whether or not entrance charging, for example in Victoria Art gallery, would generate income and increase footfall. Last year's discussions also looked at the possibility of some capital investment to increase the amount of income that is generated through the shop, such as a coffee shop, at the gallery.

The Chairman also pointed out that there is external funding that is not accessible by Local Authorities and what reference was made to 3rd/voluntary sector working in partnership with Local Authorities.

Louise Fradd reminded the Panel that this is just an update on where the directorate are with the budget this year. Louise Fradd also said that the next year, and specifically the year after that, will be very difficult years.

The Chairman closed the debate by saying that the recommendations 2.2 and 2.3 of the report could not be supported by the Panel. Those issues will be discussed at the Full Council meeting in February 2014 (Budget meeting).

It was **RESOLVED** to note the report.