

SCRUTINY BOARD (STRATEGY AND RESOURCES)

MONDAY, 16TH JANUARY, 2017

PRESENT: Councillor K Groves in the Chair

Councillors S Bentley, D Cohen,
J McKenna, S McKenna, D Nagle, A Sobel,
C Towler, E Tunnicliffe, T Wilford and
R Wood

56 Late Items

There were no late items or supplementary information presented at the meeting.

57 Declaration of Disclosable Pecuniary Interests

There were no declarations of disclosable pecuniary interests.

58 Apologies for Absence and Notification of Substitutes

Apologies for absence had been received from Councillor H Hayden.

Notification had been received that Councillor C Towler was attending as a substitute for Councillor H Hayden.

59 Minutes - 19 December 2016

RESOLVED – That the minutes from the meeting held on 19 December 2016 be agreed as an accurate record.

60 Initial Budget Proposals - 2017/18

The Scrutiny Board received a report from the Head of Governance and Scrutiny Support introducing the additional information identified by the Scrutiny Board as part of its consideration of the initial 2017/18 budget proposals agreed by the Executive Board at its meeting on 14 December 2016.

The following were in attendance for the discussion and to address questions from the Scrutiny Board.

- Councillor James Lewis – Executive Board Member for Strategy and Resources
- Alan Gay – Deputy Chief Executive
- Douglas Meeson – Chief Officer (Financial Services), Strategy and Resources

The Scrutiny Board raised the following matters:

- Pension Costs – with the West Yorkshire Pension Fund (WYPF) actuary now indicating an employer’s rate of 15.9% required. The Board noted that the Council met recently with the WYPF actuary and is awaiting a response about potential options to mitigate this additional pressure.
- Budgeted commissioning savings and the responsibility placed upon each directorate to effectively measure and monitor the impacts of these.
- Concern remained that the Council was still awaiting approval for the Children’s Services application for Department for Education ‘Innovation Fund’ and, if unsuccessful, the shortfall would be funded through Council Reserves during 2017/18. Should the use of reserves become necessary, it was important to produce a detailed plan to show (a) how the reserves would be ‘paid back’; and (b) how the shortfall would be addressed in the longer-term.
- Children’s Services Dedicated Schools Grant Overspend and the potential impact on the general fund if the School Forum does not agree for the deficit to be carried forward into 2017/18 and in subsequent years until the deficit is eliminated. The Board stressed the need for a decision to be made before the Executive Board’s February meeting.
- Key areas of Children’s Services budget overspend in 2016/17 and the consequential impacts on the 2017/18 budget. Particular reference was made to the impact of the number of Children Looked After (CLA) and Transport Costs: The Board questioned why these budget pressures had not been anticipated earlier.
- The Scrutiny Board also reflected on its ongoing consideration of ‘the Leeds £’ and how this impacted on the Council’s budget

The Board agreed to make a number of recommendations to the Executive Board, including the need for any directorate anticipating a significant budget overspend to work closely and proactively with the relevant Scrutiny Board(s) in ensuring that there is robust financial risk management and transition planning put in place.

RESOLVED –

- (a) That the information presented be noted.
- (b) That for all proposed budget savings, the Executive Board ensures there is a clear narrative that explains how the savings will be achieved, including (but not limited to) service redesign and service commissioning/ decommissioning.
- (c) That, during 2017/18, the Executive Board supports a further review of Fees and Charges, including revisiting the previous report and recommendations from Scrutiny Board (Strategy and Resources) to help ensure the Council maximises its income streams.
- (d) That, as part of the development of the ‘Leeds £’ approach, Executive Board supports the need for a review of joint funding arrangements in

order to help ensure a consistent and strategic approach that is fair and equitable to all partners involved.

- (e) That, where any directorate is anticipating a significant budget overspend, the Executive Board supports the need for the Section 151 Officer and the relevant director to work closely and proactively with the relevant Scrutiny Board to provide suitable assurance that there is robust financial risk management and transition planning in place.

61 Refreshing the Best Council Plan for 2017/18

The Scrutiny Board received a report from the Deputy Chief Executive providing an opportunity for the Scrutiny Board to contribute to the development of the Best Council Plan for 2017/18, prior to further consideration by Executive Board and Council in February 2017 and in accordance with the Budget and Policy Framework Procedure Rules.

The following were in attendance for the discussion and to address questions from the Scrutiny Board.

- Councillor James Lewis – Executive Member for Strategy and Resources
- Alan Gay – Deputy Chief Executive
- Mariana Pexton – Chief Officer (Strategy & Improvement)

The following representatives from other Scrutiny Boards were also present for the discussion:

- Councillor B Anderson – Citizens & Communities (Chair)
- Councillor P Gruen – Adult Social Services, Public Health and NHS (Chair)
- Councillor Ann Blackburn – Environment and Housing

It was noted that much of the detailed narrative and the Key Performance Indicators (KPIs) were still to be determined and added into the draft Plan. As such, the Scrutiny Board's comments primarily focused around the newly proposed 7 priority areas.

In summary the main areas of discussion were:

- The Best Council Plan was well received by the Board in terms of its layout.
- As part of the narrative, the Board identified the need to clearly explain the context and relationship of the BCP in relation to the Council's financial strategy as well as other Council and partnership plans.
- The Board emphasised the need to ensure there is particular cross-referencing to the existing Breakthrough Project Objectives within the Best Council Plan.

- Particular reference was made to housing related matters. The Board discussed whether housing warranted its own dedicated priority area but agreed that it needed to be prominent within the document. Whilst acknowledging that housing was to feature within 6 of the 7 proposed priority areas, the Board identified the need for this to feature in all priority areas, including the Child Friendly City priority area.
- The Board made reference to the importance of 'play' as a key developmental activity and suggested that this is also featured within the Child Friendly City Priority area.
- Reference was made to the previous 'Objective 5: Dealing effectively with the City's Waste' as this was now considered too narrow and needed to reflect wider sustainability priorities.
- The Board stressed the importance of including KPIs that are meaningful and easily measurable, particularly when determining local impacts.
- The Board recognised the need for the BCP narrative and KPIs to remain flexible in order to allow for minor in-year revisions based on any budgetary or policy changes.
- The Board also recognised the need to maximise continuity between past objectives and objectives going forward in order to analyse key trends.

RESOLVED –

- (a) That the information presented be noted.
- (b) That the Scrutiny Board's comments are reflected in the further report and iteration of the Best Council Plan presented to the Executive Board at its February meeting.

62 The Strategic Commissioning of "People" Services

The Scrutiny Board received a report from the Director of Adult Social Services (on behalf of the Corporate Strategic People Commissioning Group) that provides further information specifically requested by the Scrutiny Board as part of its inquiry, and also provides an update on progress towards developing a joint approach to commissioning across people services directorates, including performance monitoring.

The following were in attendance for the discussion and to address questions from the Scrutiny Board.

- Councillor James Lewis – Executive Member for Strategy and Resources
- Cath Roff – Director of Adult Social Services
- Sue Rumbold – Chief Officer (Partnership Development and Business Support), Children's Services
- Sue Wynn – Chief Officer (Employment and Skills), Children's Services

- Bridget Emery – Chief Officer (Strategy and Commissioning) , Public Health
- Mick Ward – Chief Officer (Commissioning), Adult Social Services
- Chris Dickinson – Head of Commissioning, Children’s Services

The Director of Adult Social Services introduced the report, outlining the following main points:

- Performance Monitoring and the standard framework in place across Council Services
- The initiatives in place to develop joint approaches to performance monitoring across directorates
- The work being undertaken to align staffing structures to support the commissioning work programme
- Budget action plans around decommissioned and re-commissioned services

The Scrutiny Board discussed a number of matters, including:

- Clarification on the minimum standards regarding quality assurance and performance monitoring, including any additional requirements to respond to varied national policies and legal requirements.
- The importance of developing intelligent commissioning and decommissioning proposals, including detailed impact assessments in relation to any proposed savings to commissioned services, particularly across contracts for Children’s Services and Adult Social Services.
- The need to ensure that elected members are actively engaged and notified of any proposed changes to commissioned services in their areas.
- The need for greater transparency surrounding the various Strategic Partnership Boards across the city.
- Confirmation of the current funding situation for Neighbourhood Networks.
- Clarification surrounding the procedures for contract extensions and waivers and the need for greater transparency surrounding the use of these options. In particular, the Board emphasised the need to provide elected members with more detailed explanations when such decisions are to be made.
- Particular concerns were raised regarding the lack of progress in providing Extra Care Facilities and it was acknowledged that the welfare reform changes, particularly in relation to Housing Benefit, has had a particular impact on the stability of this market.
- Reference was made to contract decisions being taken prior to and also during the Christmas and New Year period and the potential impact and disruption that this can cause. As such, the Board emphasised the need to avoid this practice in future.

At conclusion of the discussion, and on behalf of the Scrutiny Board, the Chair thanked the officers for their attendance and efforts to present a range of information through the report to the Board.

The Chair confirmed the Board would now consider its findings before finalising its inquiry report.

RESOLVED – That the report be noted and the information presented be reflected as part of the Board’s finalised inquiry report.

63 Work Schedule (January 2017)

The Chair briefly outlined the items the planned to be received and considered by the Scrutiny Board next meeting.

It was also acknowledged that a report will now be drafted to reflect the findings and recommendations arising from the Board’s inquiry into the strategic commissioning of people services. The Board therefore briefly discussed the key areas that it would like reflecting in this report.

RESOLVED –

- (a) That the outline work schedule be agreed, subject to any scheduling decisions necessary by the Chair.
- (b) That a draft report of the findings and recommendations arising from the Board’s inquiry into the strategic commissioning of people services is brought back to a future meeting of the Board for approval.

64 Date and Time of Next Meeting

Monday, 20th February 2017 at 10.00am (pre-meeting for all members of the Scrutiny Board at 9.30 am).

The meeting closed at 12.15 pm.