

ITEM 4b

Time Commenced – 18:00

Time Finished – 20:22

Executive Scrutiny Board

18 December 2018

Present: Councillor Graves (Chair)
Councillors Ashburner, Eldret, Hudson, Jackson, J Khan,
Marshall, Potter, Rawson, Russell, Stanton, Willoughby and
Wood.

Cabinet Members in attendance: Councillors Poulter, Barker, Grimadell, M
Holmes, Roulstone and Webb.

Other councillors in attendance: Councillors Bettany, Care, Evans and
Skelton.

In attendance: Christine Durrant (Strategic Director of Communities and
Place), Alex Hough (Members' and Civic Services Manager),
Mazer Hussain (Group Accountant – Communities and Place),
Hazel Lymbery (Director of Early Help and Children's
Safeguarding), Don McLure (Strategic Director of Corporate
Resources), Toni Nash (Head of Finance (Corporate)), Alison
Parkin (Head of Finance (People Services)) and Andy Smith
(Strategic Director of People Services).

66/18 Apologies for Absence

There were none.

67/18 Late Items

There were none.

68/18 Declarations of Interest

There were none.

69/18 Cabinet Budget Proposals 2019/20

The Board considered a report of the Strategic Director of Corporate Resources, allowing scrutiny members to consider the 2019/20 Budget Proposals. It was stated that under Budget and Policy Framework Procedure Rules, set out in the council's constitution, initial budget proposals are to be referred to the relevant Overview and Scrutiny Boards. As part of their remit, the Chair invited members of other scrutiny boards in attendance to comment on the proposals.

Appended was a report considered by Council Cabinet on 12 December 2018 (Medium Term Financial Plan 2019/20 – 2022/23 – Update) which set out a range of savings proposals across the Corporate Resources, People Services and Communities and Place directorates.

At the meeting of 12 December, Council Cabinet had agreed to start a public consultation period to run from Thursday 13 December 2018 to Thursday 24 January 2019. Also appended was a public-facing consultation document which contained the budget proposals. It was noted that a number of additional savings proposals in People Services had been agreed at the Council Cabinet Meeting of 24 October 2018, to allow for an extended period of consultation.

The Strategic Director of Corporate Resources stated that the report set out a balanced position for 2019/20. It was noted that the savings proposals would result in a reduction of 42 full time equivalent (FTE) posts, in addition to a further reduction of 128 FTEs as a result of previously agreed proposals in People Services.

The Board noted that a number of the proposals presented in the MTFP were contingent on the involvement of community volunteers and queried whether sold-services were being actively encouraged. It was stated that a more strategic approach to identifying commercial opportunities was being encouraged.

Members also requested that further detail was provided on the number of individuals likely to be affected by the proposed reduction in FTEs.

Corporate Resources

The Strategic Director of Corporate Resources presented savings proposals contained within the Corporate Resources directorate.

The Board noted that a £225,000 saving in property management costs was identified in 2021/22 which was dependent on the closure of Queens Leisure Centre. Members queried whether the saving was contingent on a new swimming facility opening elsewhere in the city; it was stated that the saving assumed closure of Queens in 2021/22 but was not contingent on a new facility.

Members raised questions with regards to a proposed Digital Services base budget efficiency review, which included a reduction of one FTE. Further clarification was also sought in relation to a proposed review of the use of employee fleet vehicles. It was confirmed that this would ensure staff had access to the most appropriate and cost-effective vehicles for essential business travel.

It was noted that savings totalling £250k were identified from the more efficient use of consultants and contracts. The Board queried whether there was greater scope for savings of this nature; it was stated that this could be further explored as part of future budget rounds.

The Board raised concern regarding a proposed £250k saving in 2019/20 identified from efficiencies in repairs and maintenance budgets. It was stated that this saving constituted a cut of 10 per cent on the current budget and that future activity would be focused on statutory compliance.

Members discussed a proposed review of mobile phones and the intended use of alternative digital technologies. The Board sought reassurance that employees who required a mobile phone as part of their core duties would not have them removed and requested that further detail on the process for identifying surplus phones was communicated.

Further clarification was provided on a proposed review of emerging technologies in Democratic Services, which would result in a reduction of one FTE in 2020/21. Moreover, members queried the posts subject to and the extent of a market supplement paid within Property Services. It was reported that the current supplement of 28 per cent would be reviewed to reduce the existing budget pressure.

The Board noted a £350k saving identified against Microsoft spend efficiencies. It was reported that this saving could be realised as a result of bringing services in-house and re-negotiating the cost of contracts for cloud based storage.

Members highlighted a significant saving of £558k as a result of undertaking a full review of the council's single person discount database and questioned whether it was achievable. It was reported that officers considered the figure to be a prudent estimate, with around 40,000 households in receipt of a 25 per cent Council Tax discount; it was estimated that a reduction of around 1000 properties would realise the saving. Members also sought assurances that the review would not infringe the privacy of residents.

Finally, the Board questioned the level of take-up that was expected in order to realise savings identified against employee and councillor parking. Members suggested that a sliding scale was considered for parking permits that was dependent on salary. It was reported that negotiations were ongoing with Trade Unions and that the savings were modelled on a 20 per cent take-up amongst the 1500 employees currently entitled to free parking.

People Services

The Strategic Director of People Services presented savings proposals contained within the People Services directorate.

It was noted that the majority of savings proposals in this area had been agreed at the Council Cabinet meeting of 24 October 2018 and that a significant number of responses to the consultation had been received to date.

Additional proposed savings were detailed to the Board. These included the deletion of contingency budgets within Children's Centres; a management review of the directorate; changes to the way Local Area Coordination was funded and additional savings identified in the Connexions service.

It was noted that there would be no reduction in service at children's centres as additional activities had been integrated into the core offer. It was stated that the reduction in posts within the Connexions service was a consequence of changing statutory duties, which focused on more intensive support to a smaller cohort whilst other responsibilities had transferred to schools. It was reported that the directorate continued to focus on demand management, in order to address a range of pressures detailed in the report.

The Board noted the removal of the base budget for the Troubled Families programme, owing to the end of a time limited grant. Members suggested that if the service offered value for money then funding should be identified elsewhere. It was stated that the programme offered proven outcomes and that councils were lobbying the Department for Education to maintain funding, however it was suggested that the proposal needed to be considered in the context of the overall level of savings required.

Members questioned whether the proposed transfer of funding for Local Area Coordination (LAC) to the Housing Revenue Account (HRA) would mean only Derby Homes tenants would be entitled to support; officers confirmed that LAC would remain available to all residents with an identified need and that there would be no discernible change in the delivery of the service.

The Board noted the previous success of the Connexions programme and stressed the importance of collecting information on the post-education outcomes of young people. The need to maintain a close working relationship with secondary schools was also emphasised.

Members queried the accuracy of anticipated pressures in Adult's and Children's Services. It was reported that figures were continually reviewed in response of changing circumstances. For example, it was noted that the opening of Laverstoke Court as a centre for asylum dispersals had led to additional pressures in Children's Services in particular.

The Board sought further clarification on a proposed review of adult care packages, based on an asset based approach. It was stated that this constituted assessing the level of support available within the community, with any resulting changes to care packages subject to independent assessment and review.

Members also requested further detail on a proposed review of the approach to Deprivation of Liberty Safeguards (DOLS). It was noted that the review would aim to reduce the number of agency staff commissioned as Best Interest Assessors, with a greater reliance on trained in-house social workers.

The re-modelling of the universal offer to carers was also discussed, with members seeking further detail on how support for carers would change. It was stated that the re-modelling was subject to consultation and focused on providing statutory responsibilities detailed under the Care Act; it was emphasised that the Equalities Impact Assessment would be fundamental to assessing the impact on carers.

Members discussed the extent to which the authority was engaging with businesses in the private sector to help older people remain independent. The allocation of local area coordinators across the city was also considered. It was noted that in some areas with a greater proportion of older residents, there were fewer resources available, however other members stressed that LAC was not solely intended to support the elderly.

Communities and Place

The Strategic Director of Communities and Place presented savings proposals contained within the Communities and Place directorate.

It was noted that the proposals had been prepared with a view to identifying efficiencies and responding to changes in regulations. It was reported that services were being encouraged to create more income and work with communities to identify sponsorship opportunities. For example, it was noted that a range of fees and charges were being increased across the directorate. A range of budget pressures totalling £2.51m were also detailed to the Board.

The Board queried the removal of funding for floral features. It was noted that the saving of £105k was based on identifying increased sponsorship opportunities, for example at roundabouts. Members questioned the level of resource that was available to sell advertising space; it was reported that this would be managed by the Communications Division.

Members sought clarification on how a total saving of £400k could be realised from a proposed extended approach to Neighbourhood working and an increased number of Community Protection Officers (CPOs). It was reported that the number of CPOs would be extended from 9 to 22 and that they would undertake a broader range of enforcement activity.

The Board requested further information on amendments to winter service treatment times and standby payments. It was reported that investment in new technology would allow the service to identify the optimum time for treating roads and pavements.

Members queried a proposed review of the conservation and heritage function, which would result in a reduction of one FTE. It was reported that this would be achieved by not filling a vacant post. Members raised concern that a lack of conservation enforcement was frustrating for residents and that the role of the Conservation Area Advisory Committee (CAAC) was not being matched by appropriate officer support.

The Board expressed concern that attempts to involve community groups and volunteers in the delivery of services had been attempted previously with a limited degree of success. It was noted that savings of this nature were not included in the MTFP for 2019/20, allowing a period to assess what may be achievable.

Members sought further clarification on savings associated with Network Management. It was felt that savings could be realised by increasing levels of

compliance with statutory standards for third parties permitted to access public highways.

The Board discussed a proposed reduction in the Economic Partnerships budget, which would reduce the financial support offered to Marketing Derby. The wider value of Marketing Derby in promoting inward investment was emphasised, however it was also noted that the grant had not reduced for a number of years. It was reported that Marketing Derby had grown substantially in that time and although the council would remain the single biggest funder, but a significant proportion of income was now received from bondholders.

Members questioned why leisure income targets were being increased while attendance at Queens Leisure Centre was falling. It was stressed that income targets applied across all leisure facilities and that other income opportunities had been identified.

The Board discussed the creation of a hybrid role, which combined existing duties associated with Highways Inspectors, Park Rangers and Arboreal Inspectors. It was reported that this proposal was subject to further review, but officers considered that opportunities existed for rationalisation. It was further noted that specialist roles would still exist, but there was a degree of similarity between general duties associated with the inspection of public space.

Members sought further detail on transformational savings associated with highways maintenance and a review of charge out rates in strategic housing. In addition, members noted the importance of maintaining an appropriate level of support for land drainage and flood defence.

Capital Budget

The Strategic Director of Corporate Resources provided an overview of a three year indicative capital programme, with schemes totalling £284 million funded through a combination of council borrowing and government grants. It was noted that an element of borrowing repayment costs associated with the indicative programme was included within the revenue budget.

The Board queried planned expenditure related to the Disabled Facilities Grant; it was noted that additional funding had been provided as part of the Local Government Financial Settlement.

A £440k scheme to create cleaner taxis was also discussed. It was noted that a grant had been received from DEFRA and that proposals were being prepared to support air quality improvements.

The Board sought further clarification on £14.8m of funding intended to fund school places, as well as funding allocated for the redevelopment of St Clare's Special School and the Derby Cathedral School. Further detail was also sought on forecasts for future capital receipts and the allocation of existing capital receipts to on-going projects.

Recommendations

The Chair thanked officers involved in preparing the budget proposals and noted that the Executive Scrutiny Board would have further opportunity to comment, when the outcome of the consultation was considered by Council Cabinet in February 2019.

It was resolved to note the Cabinet Budget Proposals for 2019/20.

MINUTES END