

MINUTES OF A MEETING OF THE PARTNERSHIPS AND GOVERNANCE OVERVIEW AND SCRUTINY COMMITTEE HELD IN COUNCIL CHAMBER, CIVIC OFFICES ANGEL STREET BRIDGEND CF31 4WB ON THURSDAY, 14 JANUARY 2016 AT 2.00 PM

Present

Councillor N Clarke – Chairperson

E Dodd	EM Hughes	M Jones	JR McCarthy
HE Morgan	AD Owen	D Patel	M Thomas
RL Thomas	KJ Watts	C Westwood	

Officers:

Andrew Jolley Assistant Chief Executive Legal & Regulatory Services and
Monitoring Officer
Arron Norman

30. APOLOGIES FOR ABSENCE

None

31. DECLARATIONS OF INTEREST

None

32. APPROVAL OF MINUTES

RESOLVED: That the minutes of a meeting of the Partnerships and Governance Overview and Scrutiny Committee dated 2 December 2015 be approved as a true and accurate record, subject to the following amendments:-

Councillor M Thomas being added to the list of attendees at the meeting.

The Chairperson also referred to page 7 (5) of the Minutes, second paragraph, 6th line, the period referred to 18 months to 8 years, should read 18 months to 4 years.
Councillor M Tomas

33. FORWARD WORK PROGRAMME UPDATE

The Scrutiny Officer submitted a report, the purpose of which, was to

- (a) Present the items due to be considered at the Committee's meeting to be held on 5 April 2016, and
- (b) Present a list of further potential items for prioritisation by the Committee

RESOLVED:

That the Committee noted the topics to be considered at the Committee meeting on 5 April 2016 and considered the list of future potential items for the Committees Forward Work Programme.

- The Committee requested that the following items be added to the Forward Work Programme:
 - The Cultural Trust
 - County Borough Supplies
 - The Armed Forces Covenant

34. MEDIUM TERM FINANCIAL STRATEGY 2016-17 TO 2019-20

The Scrutiny Officer advised that the purpose of the report, was to present the Scrutiny Committee with the draft MTFs 2016-17 to 2019-20, which included a financial forecast for 2016-20, and a detailed draft Revenue Budget for 2016-17.

The Chairperson then welcomed the Invitees to the meeting to respond to questions from Members.

A Member referred to page 17 of the report and paragraph 3.10 which related to the Regional Collaboration Fund (RCF)/Intermediate Care Fund (ICF). He noted that it stated that in line with previous announcements, Welsh Government had ceased the RCF in 2016-17. Bridgend had historically benefitted from the RCF to help establish collaborations, such as Western Bay and the Regulatory Services collaboration. He asked how this would affect the Regulatory Services collaboration.

The Assistant Chief Executive Legal and Regulatory Services confirmed that the Regulatory Services collaboration had worked well and benefitted enormously since it had been in being. The RCF funding had allowed largely for the collaboration to be introduced. However, in terms of legal services collaboration Bridgend had not received the same funding as partners. BCBC had relied more on savings it had made within the Legal Department by not having to recruit further lawyers or outsource, due to this work being absorbed through the collaboration arrangements. However, as this funding was ceasing to be, this may pose a problem for the other Authorities within the collaboration. A meeting was soon to take place in order to plan the way forward with regard to the Legal Services collaboration continuing in the absence of this funding. Lawyers were employed from the joint team to undertake work as part of the service, which would otherwise require to be outsourced, which was often expensive, so it was important he said to endeavour to continue with the collaboration arrangements, as in essence it saved the Department money. The collaboration had initially employed a Project Manager on a full time basis to establish a framework for the collaboration. However, this post had now been reduced to a part time role. The RCF had only been introduced to assist in setting up the Regulatory Services collaboration until such time it became self-financing/funded. The Assistant Chief Executive Legal and Regulatory Services confirmed that he had received extra funding than initially anticipated for the forthcoming year to support his Legal team, and this would help resource staffing.

The Member also noted that by contrast (to the above), the Intermediate Care Fund (ICF) had increased from £20m in 2015-16 to a proposed £50m across Wales for 2016-17 in the draft budget, which would again be allocated to the NHS to manage, albeit working in partnership with local authorities. He asked if this funding arrangement fed directly into the Council's revised Corporate Priorities.

The Assistant Chief Executive Legal and Regulatory Services advised that both the above means of collaborative working linked in with the Councils Priorities, and were just two of the many partnership arrangements that the Authority were now involved with that were proving to be successful ventures in terms of delivering better services, and saving money for each of the organisations that were involved in these collaborations.

The Finance Officer added that the ICF was set to increase just as the RCF would be decreased. Bridgend's allocation of the overall ICF this year had amounted to £370k, and a further meeting would be convened with the NHS to establish what this would be increased to in the coming year.

A Member referred to paragraphs 3.5, 3.10, 3.11 and 3.12 of the report, and the fact the BCBC had a better settlement than was originally anticipated this year. She asked the Assistant Chief Executive Legal and Regulatory Services, how this would benefit his Department.

He referred Members to page 45 of the report and to the Section entitled Budget Reduction Proposals for 2016-17 to 2019-20, which reflected positive news for his Department overall. In terms of LRS 2 and the proposal for the restructure of Legal and Democratic, Performance and Partnership Services, he confirmed that the indicative savings for 2016-17 now stood at £70k. There had been a proposal originally for this figure to be significantly higher, but as a result of the improved settlement, he had received an extra £200k to support his Legal section for the forthcoming year. This had helped him considerably when setting his budget he added.

The Member enquired if the MTFs proposals had any impact on the ongoing Public Protection collaboration arrangements.

The Assistant Chief Executive Legal and Regulatory Services confirmed that the collaboration as Members were aware, consisted of three authorities, ie Cardiff, Vale of Glamorgan and Bridgend County Borough Councils, and that the impact of the project was intended to reduce costs and maintain resilience. The project as was confirmed in the proposals outlined in the report, was expected to provide savings over and above those originally stated, and it was important that the project provided proportionate savings to its costs, to avoid other parts of the Department taking an unacceptably high burden of cuts in one or more particular areas. Savings targeted for years 2018 on were speculative he confirmed. He further added that the Public Protection Collaboration was proving to be effective in terms of service delivery, but previously had not proved as effective from a savings perspective, which meant that he had to find further savings than predicted from other areas of his Department. This aspect of the collaboration however had improved as it had become more established, and that the delivery of both the service and savings were now improving hand in hand.

The Chairperson asked if any other budget lines had been reduced further or withdrawn due to the improved settlement.

The Assistant Chief Executive Legal and Regulatory Services reiterated that the settlement had assisted LRS2, due to the fact that he had received an extra £200k to support his Lawyers. LRS1, ie the Public Protection Collaboration, had not been affected due to the increase he had received mentioned immediately above.

With regard to LRS3, to increase income targets through the Registrars, he confirmed that this Section were on the whole self-funding, and therefore historically any savings they had been required to make as part of the budget round had in recent years been achieved. In terms of LRS4 and staff reductions already made, this had achieved a

saving for 2016-17 of £81k, as staff had approached him quite late in last year's budget round to leave either by way of voluntary redundancy or voluntary early retirement.

A Member referred to page 23 of the report and paragraph 4.11, 2nd bullet point, and noted that there was a proposed budget reduction in terms of Looked After Children (LAC). He was under the impression however, that numbers here were either increasing or very difficult to predict.

The Cabinet Member – Regeneration and Economic Development advised that this area came under the remit of the Adult Social Care Overview and Scrutiny Committee and not that of the Partnerships and Governance Overview and Scrutiny Committee.

The Assistant Chief Executive Legal and Regulatory Services confirmed that he could relate partly to this area, in that his Childcare Lawyers supported LAC services. He advised that new protocols in respect of childcare litigation had previously been introduced, that had resulted in an increase in childcare related work for his lawyers, but this had now levelled out. The budget reduction proposed in respect of the safe reduction of LAC would come from 'Making Best Use of Resources', though he did agree to an extent with the Member's comment that this was both an unpredictable and volatile area within which to accurately project savings. Officers in both LARS and Social Services, did whatever they could to support families and wherever prevent children having to be placed in care.

In relation to the stated budget reductions shown on pages 16-17 of the report, a Member asked what changes have been made in LARS to affect the savings, and how would these savings affect the performance of the Department.

The Assistant Chief Executive Legal and Regulatory Services confirmed that the cuts amounted to approximately £2.4m which was on top of previous cuts made, and amounted to around 50% of the total staff in the Department longer term. These had been mitigated to an extent, through work initiatives such as the National Procurement Service, that had been set-up for the purpose of establishing frameworks for common and repetitive spend for all public sector establishments in Wales, so that these bodies could achieve savings. The Modern.Gov system had also been introduced not just for the Department but to support other Directorates also, and this was a new database that had allowed the Department to achieve savings by streamlining various methods of working as well as saving on printing/postage costs and improving the Council's web site. The Department had also achieved the Lexcel Standard in Legal Services, which was a process that ensured a high level of performance was being undertaken by staff in respect of the work they undertook, and this was subject to various inspections being undertaken by external methods annually. A major inspection was due to take place in a few weeks on a new standard of Lexcel. Lexcel ensured that staff were providing and maintaining a high level of service through innovative and structured work methods. A system recognised as EDRM had also been introduced in order to achieve some administrative savings, and a new Case Management System was to be created, to support EDRM.

The Assistant Chief Executive Legal and Regulatory Services reminded Members that he had no assets other than staff, and therefore any cuts he was enforced to make as part of the MTFs were almost exclusively relating to posts.

He also reminded Members that services and roles previously carried out by staff were having to be looked at again and in some cases reduced. An example of this was that lawyers had not for some time been attending certain Committees including Overview and Scrutiny meetings, as their work commitments were more pressing elsewhere. This

was the type of impact the recurring budget cuts were having on his Department as they were in other Directorates. Obviously, it was important for his legal staff to support and advise other Departments, as well as the public and external organisations, as this was their primary role ie to undertake legal transactions on behalf of the Council.

The Authority had also recognised that it is important wherever possible, to minimise cuts to some of its central services, and this was one of the reasons that the cuts in LARS for the forthcoming year in terms of staffing had been favourable to the point of minimal.

The situation would continue to change in the next few years both in his Directorate and others, as settlements were anticipated to be less favourable in the future term of the MTFS, hence the proposed cuts anticipated as shown shaded red on the traffic light boxes shown in the Budget Cuts proposed section of the report. He emphasised that Departments that worked in partnership or through collaboration were likely to benefit more due to increased savings being made through providing a service jointly, as well as being able to deliver services differently, and in most instances more effectively than if they were providing these as stand alone organisations. Cuts of the magnitude that were being made meant that authorities had to provide these differently and in more innovative ways than previously he added.

A Member noted from page 22 of the papers and Table 4, that as part of the Risk Status of Budget Reduction Proposals for 2016-17 to 2019-20, there were Red proposals not yet developed that totalled over £19m and an overall total percentage of 52.5% savings that needed to be made over this period. If the anticipated required savings were not met in the earlier period of the MTFS then these may accumulate to an unmanageable degree in 2019-20 he stated, resulting in knee jerk decisions possibly being made to meet this cut.

The Assistant Chief Executive Legal and Regulatory Services, agreed that these were substantial and unprecedented cuts, but he felt that Members should note that there was no savings required and showing as Red for 2016-17. This was very positive news and would go a considerable way in providing confidence within the Authority that the savings that would be required in subsequent years of the current MTFS would be met through various ways and methods. The savings required in 2017-18 though not yet fully developed, were being presently considered in advance, but just needed some further planning before implementation. The MTFS was regularly monitored and progressed through Cabinet, Cabinet/CMB and PMB (Project Management Board) where considerable savings were being planned through providing services in the future in a different way with assistance from others external to the Council through joint, partnership or collaborative working.

As this concluded debate on this important topic, the Chairperson thanked the Invitees for attending and responding to questions, following which they retired from the meeting.

Conclusions

The Committee noted the report, which provided Members with the draft Medium Term Financial Strategy 2016-17, including a financial forecast for 2016-20 and a detailed draft revenue budget for 2016-17.

- Members queried the impact on Regulatory Services of the discontinuation of the Regional Collaboration Fund and what would happen when the funding ceases. The Officer responded that, while the funding had benefitted the service, BCBC are currently still in a good position to continue collaborative working.

- Members asked about the overall picture regarding the regulatory services budget and how the changes in the department would impact on service provision and support. The Officer responded that the changes would impact on everyone, and gave examples of ways that the service will respond to the requirement for saving and work more efficiently, such as using the 'Modern Gov' system and frameworks for procurement and legal services. The Officer said that performance would be measured and monitored against Lexcel standards.
- Members asked the Officer to clarify any changes or omissions to proposals as a result of recent changes to the requirement for savings.
- Members noted the amounts allocated to proposals under consideration or not yet developed within the LARS directorate. The Officer responded that the proposals yet to be developed would be planned and managed through the Programme Management Board.
- Members acknowledged the successful use of social media and Twitter Q and A sessions during the budget consultation period.

Recommendations

- The Committee recommend that information on all BCBC services, projects and activities which involve partnership working is collated and provided to the Committee to enable them to identify areas which fall under the remit of Partnerships and Governance. This will help to inform the Forward Work Programme, increase the effectiveness and impact of the Committee and identify areas which may be suitable for partnership working in future.
- The Committee are concerned that the scrutiny function of the authority is at risk of being jeopardised due to current staffing levels and would strongly recommend that the staffing levels are maintained at 2.6 to ensure that the Authority is supported by an effective scrutiny function.

Further Information Requested

- There were no requests for further information following the presentation of this report.

35. URGENT ITEMS

None

The meeting closed at 3.30 pm