

SHOPSHIRE COUNCIL

PERFORMANCE MANAGEMENT SCRUTINY COMMITTEE

Minutes of the meeting held on 28 January 2015

2.30pm - 4.55 pm in the Shrewsbury/Oswestry Room, Shirehall, Abbey Foregate,
Shrewsbury, Shropshire, SY2 6ND

Responsible Officer: Jane Palmer

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Present

Councillor David Minnery (Chair)

Councillors David Lloyd (Vice-Chair), Joyce Barrow, Gerald Dakin, Steve Davenport,
Roger Evans, Miles Kenny and Alan Mosley

36 Apologies for Absence and Substitutions

Apologies for absence were received from Councillor Vince Hunt and Councillor David Tremellen for whom Councillor P Cherrington attended as substitute.

37 Disclosable Pecuniary Interests

No declarations of interest were declared.

38 Minutes of the meeting held on 21 January 2015

RESOLVED:

That the Minutes of the Performance Management Scrutiny Committee meeting held on 21 January 2015 be approved as a correct record and signed by the Chairman.

39 Public Question Time

Two public questions were received and considered, as follows:

1. Question from the Association of Local Councils

Will the Performance Management Scrutiny Committee support the request that the Parish Council element of the Council Tax Support Grant be reinstated to the value that Shropshire Council's Cabinet approved in November 2013?

Response: Members will be considering your views during the forthcoming debate on this issue.

Supplementary question: Is the Council sending a representative to the forthcoming ALC conference on 9 February 2015? A reply has yet to be received to the invitation sent to the authority.

Response: A reply will be sent.

2. Question from Mr David Cooper

The Committee has as Agenda Item 7 the Financial Strategy 2015/16 to 2016/17, and the draft refresh business plan. These items were considered at Cabinet on 10 December 2014. At that Cabinet meeting, members agreed Recommendation C in the Financial Strategy Report "Agree to remove any allocation of council tax support grant to Town and Parish Councils for 2015/16 and future years' council tax reduction scheme." This recommendation has attracted considerable criticism for Shropshire Council, and appears to be contrary to Government policy.

At the Council meeting on 18th December 2014, the leader responded to a public question about this recommendation by stating that "The Council's budget is subject to Scrutiny and this issue can certainly be considered as part of this process." Subsequently, the Council produced its consultation document about the coming year's budget, which included this proposal (identified as producing a saving of £0.511m for 2015/16) on page 25, and also featured on that page a saving captioned "Plan for 7.5% on-going reduction in costs across Resources and Support through continual review and redesign to meet the changing needs of the organisation as they develop", which actually has a figure for 2015/16 which is £0.511m lower than that included in the report to Cabinet and before the Scrutiny Committee today.

- i. What savings, amounting to £0.511m a year, were being considered under this heading but are not now?
- ii. Why are efforts to procure these savings apparently being abandoned?
- iii. Why is it thought appropriate that local Town and Parish Councils should foot the bill for this either by making savings in their own budgets or by putting their Council Tax up?

Response: Members will be considering the issues you raise during their forthcoming debate.

Supplementary question: Rather than pleading poverty, will Shropshire Council consider the principle behind the recommendation to remove the allocation of council tax support grant to Town and Parish Councils for 2015/16 and future years' council tax reduction scheme?

Response: Members will be considering the issues you raise during their forthcoming debate.

40 **Member Question Time**

Question from Councillor Roger Evans

'I note the message that has been sent around to all staff and Shropshire Councillors. Can I please be informed what has necessitated such drastic and sudden action?

I understand a number of posts had already been advertised and appropriate costs incurred, does this include these posts. Does it also include any posts that have been offered but not yet accepted?

For members information a copy of the letter sent to all staff and Councillors is shown below'.

'As you know, and as in previous years, the council is under financial pressure and we have significant savings to make before the end of this financial year in March. I would be very grateful for your support and co-operation to enable the necessary savings.

As part of this, a spending freeze is immediately being applied in all areas of the council. This means that you should avoid council expenditure wherever possible, so please don't spend any of your budget unless you have to.

We are not allocating specific targets to services, as we trust that you will do everything you can to avoid expenditure on anything that is not essential. We're also not prescribing what essential spending is, as you are best placed to know what is absolutely necessary to provide your service.

We recognise that most people will do everything they can to avoid costs this year. However, in similar circumstances previously some individuals continued to spend their budget to avoid it being reduced in the subsequent years. This 'use it or lose it' approach must be avoided and will be monitored and challenged.

We will take account of spending commitments made before this spending freeze, but will be monitoring where people are spending to the upper limits of their budget as well as recognising where individuals have saved significantly.

Recruitment is also frozen with immediate effect and any recruitment must now be approved by me directly. Recruitment currently underway should be discussed with me before it continues and no new adverts for posts are to be initiated'.

Response: The Chief Executive stated that the spending freeze was not unusual and stressed the need for all to recognise that the level of local government cuts remained at an unprecedented level. He added that Shropshire Council was continuing to achieve within budget year on year and staff were managing budget limiting expenditure. He added that, whilst the Council's Voluntary Redundancy scheme was ongoing, it would be wrong to recruit without proper consideration of the available options.

Supplementary question: In certain areas, namely planning, the authority is short staffed and the recruiting process had been initiated. Will recruiting to these posts still be progressed?

Response: The Chief Executive advised that the workload dictated that the three planning posts were needed and the recruitment process would therefore continue. He confirmed that posts would be filled if there was a demand for recruitment in order

to meet the needs of local people, this recruitment could include retraining existing staff who may be under threat of redundancy.

41 **Petition re Council's Consultation Processes**

Members considered the following petition:

'We, the undersigned, petition the Council to review the methods used for public consultation by Shropshire Council.

The methods used by Shropshire Council for their consultations are very poor and rely largely on the use of their website to inform the public. This is disenfranchising, particularly to those without access to the internet, and requires the public to be proactive. A complete review is urgently required and Shropshire Council needs to engage more effectively with the public'.

Mr S Mulloy made the following statement:

'I am here today to present a petition seeking better consultation and engagement from Shropshire Council.

It was just over 12 months ago that I sat before this very same committee (27th Nov 2013) and questioned the lack of consultation on last year's Draft Business Plan.

I sought a review of Shropshire Council's engagement methods, and twelve months on, there has been no visible change. Rapid Action Groups were set up to scrutinise different service areas, but no one looked at Community Engagement. At that meeting, the Leader proudly announced that the recent success in winning the court case over the closure of Adult Day Care Centres, vindicated the Council's approach to consultation. That decision was subsequently overturned on appeal, and therefore the Council's approach to consultation is no longer justified.

That failure to consult cost the Council £250,000 so not only does poor consultation create poor policy, but it also wastes public money at a time when grants are being cut to local Town & Parish Councils.

As we sit here today, 6 years after the formation of this Unitary Authority, there is no Service Wide Engagement Strategy, and given the amount of policy that has been adopted during that period, this calls in to question the robustness of those policies.

The mission statement of the Business Plan leads with: "OUR CUSTOMERS AT THE CENTRE OF EVERYTHING WE DO." but this can only be considered a platitude if you do not consult and engage with your customers effectively.

In recent years public participation has become a defining feature of all areas of public policy, but I have to question whether those people working in this field have had a chance to gain the skills required. As a result, the experience of community engagement has not been as positive as it should or could have been.

When asked about Localism in practice, the Chief Executive said: "There is a need to get in to the community to get feedback in order to change and adapt instead of expecting people to come to us." I would ask, how has this been done?

Shropshire Council's preferred method of engagement is through electronic means, but this is disenfranchising, and risks being challenged through the Equality Act (2010 Sect 149) as it prohibits consultation with groups unable to access the internet.

There is a need to address the fundamental problem of motivation in public participation exercises, recognising that there are people who are different or disadvantaged and may face barriers to participation. These issues can only be overcome through appropriate and effective consultation.

Done properly engagement is a relationship that is transformative and creates hope for a better tomorrow. It's about reaching out to those marginalised in our society. It's about social inclusion and partnership.

What it is not about, is working in isolation!

I respectfully request that this committee sets up a Rapid Action Group to look at the methods of engagement used by Shropshire Council and report their findings to Full Council'.

The Committee Chairman thanked Mr Mulloy for presenting the petition and commented that the Scrutiny Chairs' Group would give consideration to establishing a Working Group to look at community engagement as part of Scrutiny's future Work Programme.

42 Financial Strategy 2015/16 to 2016/17

The Committee considered the draft refresh of the Council's Business Plan and the Financial Strategy 2015/16 to 2016/17 that included updates in expenditure.

Members were mindful that the Council's draft settlement had been received and this would be included in the updated Financial Strategy that would be reported to Council in February 2015 together with the update of the Capital programme that would be included in the Business Plan.

In response to a Member's request, the Head of Finance, Governance and Assurance confirmed that the consultation responses received by the Council could be made available to Members and confirmed that they would be circulated prior to the Council meeting on 26 February 2015.

Council Tax Support Grant

A minority of Members vehemently objected to the recommended removal of the allocation of Council Tax Support Grant to Town and Parish Councils for 2015/16 and future year's Council Tax reduction scheme. It was recognised the funding was not ring fenced for this purpose but that Council would be the final arbiter.

Comments were made on the short notice given to Parish and Town Councils on the recommended removal of this funding and its subsequent retention by the Council. And the damage that could result in the relationship between the Council and the Shropshire Parish and Town Councils.

Other issues raised during the debate on this issue included:

- Work with Parish and Town Clerks was ongoing and was providing an opportunity to work together to provide better accountability for very local services
- It was recognised that some Parish/Town Councils were better placed than others; it was understood that some may have to raise their precept
- It was understood that the recommendation to Cabinet had been made because of the huge pressure on the Adult Social Care budget but some Members were concerned that it amounted only to 'robbing Peter to pay Paul'
- The feedback from a forthcoming ALC conference would be considered as part of the budget consultation

It was recognised that consultation on this issue was ongoing but some Members considered that a strong comment should be made by the Committee.

A proposal to recommend to Cabinet the retention of the allocation of Council Tax Support Grant to Town and Parish Councils for 2015/16 was defeated.

Adult Social Care [ASC]

The Committee noted that service redesign was ongoing and a projected £10M saving was anticipated in the current year; despite the Council's low care cost per head there was a very high level of satisfaction at 96%.

It was acknowledged that problems had arisen beyond the Council's control largely because people already within the ASC system were living longer and those who were self-funding had run out of funds. Of those coming into the care system less than 50% were coming into residential care as better alternatives were being found.

The Committee acknowledged the ongoing process of redesign in ASC that had continuing benefits that would roll forward. Figures presented to the Committee represented the ongoing position but it was accepted that this was continually evolving as service redesign was implemented.

Children and Young People's Services

The Committee noted that transport costs were being reviewed across the whole Council and, as Children's Services had the largest transport budget, it was likely that this service area could probably make the biggest saving.

It was noted that savings were planned as a result of:

- The renegotiation of contracts
- Early prevention work to prevent children coming into care in the first place [if safe to do so]

Members noted the aim to ensure that children were properly looked after and safe whilst ensuring money was not wasted. The Committee was pleased to learn that many schools were renewing their contracts with the Council's education services that continued to offer a quality service to meet the current needs of schools.

Impact of ip&e

In answer to a Member's query whether profit from ip&e could be ploughed back into services in order to reduce the planned budget cuts, the Leader advised that profitability was slowly improving.

General remarks re future scrutiny of the budget

In bringing the debate to a close the Chairman queried whether scrutiny consideration of the budget would be better undertaken during the summer months in order to allow the scrutiny process to be more informed and have the opportunity to input into the process at an earlier stage. Members supported revised timetabling for scrutiny consideration of the budget and it was noted that this could be developed as part of the redesign of the scrutiny process.

RESOLVED:

- i. That responses received by the Council to its budget consultation process be made available to all Members in the Members' Services office and emailed to members of the Performance Management Scrutiny Committee before the Council meeting on 26 February 2015; and
- ii. That consideration be given to Scrutiny Committee meetings being timetabled in future to allow consideration of the budget throughout the year with a review of all information available to take place during the summer months.

43 Quarter 2 Performance Report 2015/16

The Performance Manager presented the report detailing Quarter 2 performance and drew Members' attention to the two appendices relating to the Change Infographic Dashboard – the Quarter 2 Transformation Data relating specifically to the Council's overall budget, the increase in commissioning services, reduced staffing and the 84% satisfaction rate of local residents. The second appendix referred to the Outcome Summary Infographic Dashboard – Shropshire outcomes. The Performance Manager urged the Scrutiny Committees to interrogate the information within the dashboards to look at the information within them.

The Deputy Portfolio Holder for Transformation Performance commended the Performance staff on making the data easily digestible and commended the use of the dashboards to the Council's Scrutiny Committees.

RESOLVED:

- i. That the information contained within the Quarter 2 Performance Report 2014/15, be noted; and
- ii. That the use of the performance dashboards be commended to the Council's Scrutiny Committees.

44 Discretionary Housing Payments [DHP] Update. The Review of DHP Policy and Administration

The Head of Customer Involvement presented an update report on the review of the Discretionary Housing Payments [DHP] Policy and its administration. The DHP Task and Finish Group that met in 2014 focussed its work on understanding the Shropshire approach to the award of DHPs and whether this could be improved both to meet the needs of the tenants and ensure that the allocation made to Shropshire was maximised.

Members noted that in order to align this Policy with the new Local Support and Prevention Fund (LSPF) Policy and to take into account the DWP's recent announcement of the Universal Credit rollout plan for Shropshire referral to Cabinet would take place in February 2015. Originally, when the Task and Finish Group met, the Government's plans for the rollout of Universal Credit in Shropshire were not known.

A short presentation was made by the Contact Transfer Manager to provide more detail on the issues raised, particularly the issue of disability benefits and the additional risks that the roll out of the Universal Credit may raise.

Members had the opportunity to raise any concerns or issues during consideration of this issue. The main concern related to the need of the Council to maximise the use of the Shropshire allocation to support the needs of Shropshire tenants and ensure that as little, if any, funding remained unspent and returned to the DWP or that the funding allocated by the DWP was not exceeded. It was noted that the trend in the allocation of this funding had risen but the 2015/16 settlement was not yet known.

RESOLVED:

- i) That the draft DHP Policy be referred to Cabinet for consideration and onward consultation;
- ii) That the DHP Task and Finish Group be reconvened to progress the development of a response to the consultation to ensure the Scrutiny

Committee's continued influence in the development of the Council's DHP Policy.

45 Date/Time of next meeting of the Committee

It was noted that the next meeting of the Committee was scheduled to be held at 2.30pm on Wednesday 25 March 2015.

Signed (Chairman)

Date: