

My Ref: Scrutiny/Correspondence/Cllr Groves

10 February 2015

Councillor Phil Bale
Leader
City of Cardiff Council
County Hall
Cardiff
CF10 4UW



Dear Phil

Community & Adult Services Scrutiny Committee Meeting – 4th February 2015

Thank you for attending the above committee. This letter captures the agreed comments and observations of the Committee with regard to the draft Corporate Plan 2015-17 and 2015-16 draft Budget Proposals. The structure of this letter reflects the structure of the meeting, commencing with general comments on the draft Corporate Plan and the overarching budgetary position before moving on to comments and observations for each portfolio, as determined by the terms of reference of this committee.

Draft Corporate Plan 2015-17

Members wish to pass on their thanks to all concerned for ensuring the draft Corporate Plan was available to go out with our committee papers. Members note Councillor Hinchey's point that it seeks to address Wales Audit Office criticisms of previous plans. Members have the following points to make that we hope will help to further refine and improve the Corporate Plan:

- **Lead Member** – Members ask that thought be given to the use of this term as sometimes two Cabinet Members are cited, rather than one. Interestingly, for the commitment on improving transitions between Children's Services and Health and Social Care, page 22, only the Cabinet Member for Children's Services is mentioned, despite acknowledgment at committee that the role of Health and Social Care is critical in ensuring successful transition – perhaps this should be amended to state both relevant Cabinet Members?
- **Priority 2: Supporting Vulnerable People** – Members recommend that clarity is provided as to what is meant by 'vulnerable people'. The text of the Corporate Plan states 'most vulnerable'. At our committee meeting, some witnesses seemed to think 'vulnerable people' equated only to those who are statutorily eligible for receiving social services. This led witnesses to state that savings proposals that cut services to those not statutorily eligible were still in keeping with the Corporate Plan, even though Members would argue that vulnerable

people were losing services. An example of this would be HSC15 – closure of the Community Alcohol and Drug Team Counselling Service.

- **Use of Language** – linked to the above point – Members feel that the language used in the draft Corporate Plan does not reflect the language used by the Welsh Government in the recent Social Services and Wellbeing Act or in the consultation on the Future Generations Bill, both of which stress the need for local authorities to promote wellbeing.
- **Terminology** – Members point out that in the Priority Two section, the term ‘outcome’ is used to describe what Members believe should be termed ‘improvement objectives’.

Members sought to understand how delivery of the Corporate Plan will be monitored and were pleased to hear from officers that the performance measures in the Corporate Plan reflect the areas of most importance. Monitoring these will therefore give a sense of direction - albeit that there are underpinning measures that are monitored as well. Members therefore expect to see the relevant Corporate Plan measures in our quarterly performance reports, as well as the measures that underpin these, and ask that officers ensure performance reports are amended accordingly. Members will also be looking for the linkages between the Corporate Plan and Directorate Delivery Plans when we scrutinise these; I ask that officers advise scrutiny services when the Plans will be available so that we can schedule scrutiny accordingly.

Overarching budgetary position

Members thank Councillor Hinchey and Christine Salter for providing information on the overarching budgetary position. Members note the Council faces severe financial pressures and continuing austerity for the foreseeable future. Members also note that officers are seeking to address the Wales Audit Office comments on medium term planning by amending the budget report to include specific budget lines re specific medium term pressures.

With regard to the Capital programme, Members note Christine’s comments that there has been a 35% reduction overall in the last five years on monies from the Welsh Government re capital and that therefore the Council is having to find other sources of monies to fund the capital programme (and that as a result officers need to keep a close eye on unsupported borrowing).

Members welcome the news that there is in principle support from the Welsh Government for capitalisation and that officers believe that £2.5m capitalisation is realistic, prudent and achievable in terms of realising capital receipts in year.

Members note Christine’s points re the overall budget savings, in that 40% are red/red-amber for residual risk, 35% are red/red-amber for achievability, 73% have detailed planning status and 22% have general planning status, and that therefore it

is proposed to have a £4M corporate contingency fund to meet any under-deliverability of savings, as happened this year.

Members note Christine's point that Directors set the RAG status for budget lines and her team's role is to moderate and look at risks overall and carry out due diligence checks.

Members note that officers are anticipating that Month 9 will show a worsening position and that this has been reflected in the budgetary proposals being prepared for Cabinet consideration.

With regard to the alignment of the budgetary proposals with the Corporate Plan, Members asked several witnesses how they felt the budgetary proposals squared the circle of needing to make cuts due to austerity and wishing to protect vulnerable people. Members note Councillor Bradbury's point that it is not easy but that the proposals in his portfolio aim to target resources to areas scoring highly in the Welsh Index of Multiple Deprivation, so that universal services are easily accessible by the most deprived citizens of Cardiff. Members recognise that finding savings that do not fall on the most vulnerable is hard given that the nature of the Council's services are that they are focused on those who are most vulnerable. Members recognise the work that has gone into preparing the budget proposals early and consulting on these. However, overall, Members feel that many of the savings proposed are counter intuitive and high risk e.g. the cuts proposed in the Health and Social Care Directorate amount to 18% of the overall savings, which, although Members note Christine's point that this amount is 6.6% of the Directorate's controllable budget, seems high and to go against the aim of supporting vulnerable people.

Members are also concerned about the achievability of savings, given recent experiences, demographic pressures and legislative changes. Members intend to recommend to a future committee that they include close monitoring of the financial position of Health and Social Care and delivery of all savings within their terms of reference on their work programme. I would welcome the opportunity to discuss how best to achieve effective monitoring of savings and ask that you task relevant officers to liaise with Scrutiny Services to set up a meeting to this end.

Economic Development and Partnerships

Members expressed their concerns about the impact of proposal CMT8 on those pensioners affected by this saving and are pleased to note that there will be an information campaign to ensure that pensioners affected are encouraged to maximise their income, for example by ensuring they claim all relevant benefits.

Community Development, Co-operatives and Social Enterprise

Members thank Councillor Bradbury, Neil Hanratty and Sarah McGill for being available to answer questions on the budgetary proposals for this portfolio.

With regards to the savings for this portfolio from the Economic Development Directorate, Members have the following points to make:

- ECD10 – mobility buggies - pleased to hear that sponsorship for £15k has been achieved and that officers are confident that they will get sponsorship for remaining £2k to make the £17k saving. Note that sponsorship is for one year only and that officers will use this time to review approaches taken by other cities before determining a way forward. CASSC would like to receive a briefing on the review findings.
- ECD11 – taxi marshals – note that there will be the same level of cover provided but for a reduced period of time, in order to achieve the level of saving required. Members are aware of approaches used in other cities and recommend that officers review the approaches taken by other cities to determine a sustainable way forward that promotes community safety in the night time economy.

With regard to the savings for this portfolio from the Communities, Housing and Customer Services Directorate, Members note Cllr Bradbury's assurance that these are achievable with minimal impact. However, Members remain disquieted and concerned about the cumulative impact of CHC7, CHC8, CHC10 and CHC11 with regards to partnership working; these savings amount to £400,000 and significant changes to the way the Council and third sector organisations work together.

Members questioned the sustainability of the capital programme aspects for this portfolio and note the response from Councillor Bradbury that each project has a detailed business case and from Christine Salter that these business cases have to be more than cost-neutral in order to be supported, given the stretch of the capital programme across the Council.

Safety, Engagement and Democracy

Members thank Councillor De'Ath and Sarah McGill for being available to answer questions on the budgetary proposals for this portfolio. Members were pleased to hear that all the existing community safety projects that are funded by this budget line – CHC9- will continue to be funded, including mobile CCTV, Operation Mistletoe and Victim Support and that the saving of £50K comes from an historic underspend.

Health, Housing and Wellbeing

Members wish Councillor Elsmore a speedy recovery and thank Councillor Darren Williams and Councillor Sue Lent for attending in her place and Sarah McGill and Sian Walker for also being available to answer questions on the budgetary proposals for this portfolio.

Housing

Overall, Members believe the savings put forward are measured and seem achievable, albeit that Members recognise there will always be difficulties in achieving savings from an area under demand pressures, such as housing.

Members note the risks highlighted in Sarah McGill's presentation as being: homelessness; universal credit; reshaping services; and commercialisation. Members note that the Welsh Government is providing £0.5M towards homelessness costs. With regard to the proposed roll-out of Universal Credit in Cardiff in September/ October 2015, Members note that the least complex cases will be the first to transfer to Universal Credit but that these cases may become complex if and when applicants' circumstances change. Members welcome the offer of receiving briefings on the implementation of Universal Credit and preparations being made to manage this; please liaise with Scrutiny officers regarding the scheduling of these.

Health and Social Care

Members note that £6,215,000 savings are proposed for this Directorate, of which approximately half are predicated on reviews and reshaping services. Members note Siân Walker's comments that she is confident that these savings are achievable, given the work already undertaken by the Directorate this year, and that the savings are flagged as Red to reflect the fact that this Directorate deals with vulnerable people. However, Members remained concerned about the quantum of savings and their achievability, particularly in light of the demand pressures facing this Directorate and its history of under-achieving savings. Members are also concerned about the impact of these savings and therefore request that mechanisms be put in place to capture the consequential impact of these savings; Members will be requesting these monitoring reports.

Members are also concerned that some of the savings will not enable 'choice and control' which are two key watchwords for appropriate health and social care services. Members feel this in particular with regard to HSC2 and HSC6 – the closure of day centres for older people and re-organising the way community meals are delivered. These are both underpinned by a care plan/ service package review, where service users should be enabled to exercise choice and control; the answers provided at the meeting did not fill Members with confidence that there would be any choice available to service users, which undermines their ability to exercise control.

Members would like to receive information on the accessible formats used to provide information on how to contact the relevant officer to discuss the review and any change in circumstances as well as the right to complain about the outcome of a care plan/service package review.

With regard to HSC15, Members note Siân's comment at the meeting that this service stopped taking new clients in December 2014 in preparation for this saving. Members wish to receive further clarification on the continuation of services, referred to in the EIA as 'sufficient alternative provision' and how these will be quality assured. Members also note that the EIA for this proposal is to be further updated and request that the updated version(s) be sent to them via Scrutiny Services.

Members note that there is an overall increase of £7.5M in this Directorate's controllable budget 2015/16, with £3.2M of this being realignment and £1.5M being financial pressures. Members note the risks highlighted in Sian Walker's presentation as being: safeguarding; Social Services and Well Being Act; and demographic trends.

Environment Directorate

Please note that the only saving for this Directorate that fell within the terms of reference of this Committee related to Regionalising Regulatory Services and that Members' questions on this were directed via Councillor Paul Mitchell, Chair Environment Scrutiny Committee, at their meeting on 3rd February 2015.

Once again, thank you to you and all the witnesses for your attendance and contributions; they are much appreciated. Members trust that our comments and observations above are of help when finalising the Corporate Plan and Budgetary Proposals. We would greatly value, to this end, the presentation of this letter before the Cabinet when they are finalising their arrangements for the budget for the financial year 2015-2016.

This letter contains recommendations and requests for further information and so requires a response.

Yours sincerely,



COUNTY COUNCILLOR DAVID GROVES

Chairperson - Community & Adult Services Scrutiny Committee

Cc: Councillor Hinchey Christine Salter Allan Evans
Councillor Bradbury Neil Hanratty Sarah McGill
Councillor De'Ath
Councillor Darren Williams
Councillor Sue Lent Siân Walker Stuart Young
Debi Said Martin Hamilton Dylan Owen
Matt Swindell Alison Taylor Claire Deguara
Rita Rohman Clair Jones Liz Patterson
Michelle Davies