

# Public Document Pack



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## **CABINET**

**Date:** Tuesday 7 February 2012  
**Time:** 2pm  
**Venue:** COUNCIL HOUSE, PLYMOUTH

**Members:**

Councillor Mrs Pengelly, Chair  
Councillor Fry, Vice Chair  
Councillors Ball, Bowyer, Jordan, Michael Leaves, Sam Leaves, Monahan, Ricketts and Wiggins.

I refer to the agenda for the above meeting and attach the Budget and Corporate Plan Scrutiny Report 2012/13, together with the minute of the Overview and Scrutiny Management Board of 1 February, which were shown as 'to follow' on the agenda. Please note that the amendments from the Management Board have been incorporated into the attached scrutiny report.

**Barry Keel**  
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# **CABINET**

## **AGENDA**

### **PART I – PUBLIC MEETING**

#### **REPORTS FROM SCRUTINY**

**6. BUDGET AND CORPORATE PLAN SCRUTINY (Pages 1 - 24)**  
**REPORT 2012/13**

Councillor James (Chair of the Overview and Scrutiny Management Board) has been invited to attend the meeting to present the Budget and Corporate Plan Scrutiny Report 2012/13 and recommendations.

The minute of the Overview and Scrutiny Management Board held on 1 February 2012 on this matter will be submitted.

Cabinet will be asked to respond to the recommendations and take account of the outcome in their consideration of item 7 and 10 below.

**Overview and Scrutiny  
Management Board**

**Scrutiny Review Report**

**January 2012**



## **Budget and Corporate Plan Scrutiny 2012-13**

**Plymouth City Council**

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## Foreword

1. The Council's Overview and Scrutiny Management Board, formed in July 2009, has responsibility for holding the Cabinet to account for its decisions with respect to the corporate budget and policy framework, as set out in the Council's constitution. Its members, drawn from both parties and assisted by advisors with expertise from the business, education, health and voluntary and community sector, are charged with independent scrutiny of the Council's decisions with respect to financial and performance management matters, as well as the Council's key strategies.
2. The Overview and Scrutiny Management Board has planned its programme carefully to challenge whether:
  - the Council's Corporate Priorities within the draft Corporate Plan are properly tested as being fit for purpose in delivering the city's strategic objectives and achieving the Council's vision
  - the proposed budget, both capital and revenue, is both deliverable and supports the priorities;
  - arrangements are in place to deliver the stated priorities within the financial framework set out in the budget.
3. We would like to extend our thanks to members of the Board, both councillors and advisors, for their commitment in conducting this scrutiny review. We would also like to thank the officers who supported us, Cabinet Members, Directors and Assistant Directors who took part in the review. We would also like to express our appreciation of the contribution made by colleagues from NHS Plymouth, Devon and Cornwall Constabulary, Devon and Somerset Fire and Rescue Service, Plymouth Community Homes and Community and Social Action Plymouth.



**Councillor David James, Chair**



**Councillor Patrick Nicholson, Vice-Chair**

## Scrutiny Approach

4. The Board convened over three days to hear from Partners, Cabinet Members, Directors and senior officers, to consider the Draft Corporate Plan 2012 – 2015 and the Revenue and Capital Budgets 2012/13. As part of their considerations the Board received a number of documents which supported the scrutiny process, including –

- 2012/2013 Indicative Budget and Delivery Plans
- Draft Corporate Plan 2012-2015
- level 1 and 2 indicators
- Council level 2 and 3 indicators
- Budget Challenge of council directorates, health and police services
- Public and Stakeholder Consultation Results
- Equality Impact Assessments

5. The first session on 11 January saw members probe the city council and its strategic partners about their views on changes within the public sector, their plans and the impact that these plans would have on the service provision across partner agencies.

6. Issues raised within the various representations were taken forward by members of the Board and used to inform a more robust challenge over the scrutiny sessions with Cabinet Members and partners. Board members also used the information to form recommendations on how the Council could work better with its partners in the future.

7. The session on 11 January included an overview of the shared city vision, the vision for the council and the city priorities. This overview was presented by the Leader, Chief Executive, Chief Executive of NHS Devon Plymouth and Torbay Cluster and the Chief Constable of Devon and Cornwall Police and was followed by challenge for each public service area over the remainder of the sessions in January. The programme of scrutiny culminated in a concluding session with the executive team of the Leader, Cabinet Member for Finance, Property, People and Governance and the Corporate Management Team.

8. The meetings were public and recommendations were drafted and generated in a dynamic manner throughout each session.

9. At the beginning of each session individual Cabinet Members provided an overview of their portfolio and then answered questions from Board members supported by the appropriate Directors, Assistant Directors and partners, where the impact of delivery plans on service provision was explored as well as some more detailed issues.

## Overview

**10.** The Leader, the Chief Executive, Chief Constable, Devon and Cornwall Police, and NHS Devon, Plymouth and Torbay Cluster Chief Executive set the scene for the budget scrutiny and gave an overview of the Draft Corporate Plan, indicative budget and partner budget challenge.

### The Leader

**11.** The Leader of the Council welcomed colleagues from Health, Police and Fire and Rescue Services, underlining the importance of a partnership approach to facing the challenges of delivering the city's shared objectives. These challenges include the impact of the economic downturn on people's personal finances, business, and the public sector. Broader impacts include the impact of the growing elderly population on adult social care and health budgets and the changes both in demand for benefits and in proposed changes to the welfare regime nationally.

**12.** Despite the challenging circumstances, the city continues to focus on its priorities of delivering growth, raising aspiration, tackling inequalities and providing value for communities. A number of successes have characterised the past year, including the delivery of major capital schemes, such as the Life Centre, the East End transport scheme and the energy from waste facility at North Yard. Plymouth's profile had been raised by staging the America's Cup, and important new educational facilities were being delivered, including the new University Technical College and the community campus at Estover.

**13.** The coming year would see mounting revenue and capital pressures, but the senior management restructure, further investment in the city's infrastructure and rationalisation of the Council's assets would provide a firm foundation for moving forward.

### Chief Executive, NHS Devon, Plymouth and Torbay Cluster

**14.** The Chief Executive for NHS Devon, Plymouth and Torbay cluster advised the panel of challenges being tackled in the Health Service. There had been an increase in the numbers of older people with complex and long term needs and the new challenge was how to deliver sustainable services for the future.

**15.** The Health and Social Care Bill had triggered a major reform of NHS. Clinicians would commission services, ensuring that NHS funding met the needs and priorities of local areas. Significant structural changes would need to take place and Clinical Commissioning Groups would replace Primary Care Trusts. The Public Health Department would become part of the local authority and Derriford Hospital would be required to become a Foundation Trust. During this time of change, Health Services still had a significant part to play in delivering the city's growth agenda and would engage fully with the partnership agenda.

Chief Constable, Devon and Cornwall Police

**16.** The Police had improved officer visibility in Plymouth up to 50% from 12%, the service also ranked 9<sup>th</sup> best in country with regard to victim satisfaction. However there were real term cuts ahead, a 20% saving needed to be made over four years. There had already been significant back office savings and in order to address the budget challenge the force had begun to reorganise operations and used the opportunity to improve services. A reduction in officer numbers would be necessary but would take place in a controlled manor.

**17.** The Police priorities were to further reduce crime and prosecute offenders, protect people from harm, improve the satisfaction of those who were victims of crime and anti social behaviour and to maintain visibility in communities.

**18.** The transition from Police Authority to Police and Crime Commissioner and associated crime panels was a risk in terms of budget planning. The service faced a very difficult situation and was unable to predict the implications of the Police Commissioner election in November 2012, but was absolutely committed to continuing to work in partnership with the City Council and its partners to deliver the city vision.

## Community Services

**19.** Members welcomed the Cabinet Member for Community Services (Safer and Stronger Communities and Leisure, Culture and Sport), Police BCU Commander for Plymouth, the Assistant Chief Constable, the Assistant Chief Fire Officer and the Director of People to the community services challenge. The session focused on –

- Crime and Community Safety (including Fire Prevention)
- Locality and Neighbourhood Working
- Equalities and Community Cohesion
- Museum Services
- Culture and Arts
- Recreation and Sport
- Library Services

**20.** Members of the panel were advised that there were a number of risks arising from the economic climate and changes to legislation including –

- Pressure on personal financial advice services
- An increase in acquisitive crime
- The introduction of Police & Crime Commissioners in November 2012
- Welfare reform

**21.** Members valued the contribution that the 83 Police Community Support Officers in the city made to community safety. Members recommended future provision of funding for Police Community Support Officers should be included in Devon and Cornwall Police base budgets.



**22.** The Board expressed concern that the police would require an unaffordable increase in the precept in order to protect front line community policing. The Board noted that the Police were awaiting approval of recommendations from the Independent Review of Police Officer and Staff Remuneration and Conditions, and that approval of the recommendations would provide greater certainty over Police budgets in the medium term. The Board recommended that any proposals for a possible increase in the police precept and the impact on council services during a council tax freeze should be monitored and reported to the Cabinet / Board.

**23.** Although the police expressed a willingness locally to collaborate over potential shared services, there appeared to be pressure from the Home Office for police forces to collaborate amongst themselves rather than with other agencies locally.

**24.** Concerns were raised that the voluntary and community sector were not adequately engaged during changes to library provision. Questions were raised in relation to the work being undertaken regarding community asset transfer and the level of work that had taken place around community centres and other community hubs. The Board recommended that further engagement work was undertaken with the community and voluntary sector regarding the development of libraries as community hubs.

**25.** Members expressed concerns that the impact of the election of a new Police Commissioner in November 2012 had not been properly understood or mitigated for in existing budgets. The Board requested assurances that Devon and Cornwall Police would remain focused on Plymouth with the move to a functional model of policing.

## Recommendations

To Cabinet -	
R1	That the future provision of funding for police community support officers should be included in police base budgets.
R2	A position statement from police on identification of any potential areas for collaboration with Council for shared services in Plymouth to be sought.
R3	Commitment required from Police to appropriate resourcing to meet crime and community safety targets in the city reflecting the city's status as the major urban centre within the force area.
R4	That any proposals for a possible increase in the police precept and the impact on council services during a council tax freeze should be monitored and reported to the Cabinet / Board.

## Children and Young People

**26.** Members welcomed the Cabinet Member for Services for Children and Young People, Chief Superintendent of Plymouth, the Director of People and the NHS Joint Commissioning Manager to the Services for Children and Young People Challenge. The session focused on:

- Children's Social Care
- Learners and family Support
- Lifelong Learning
- Special Educational Needs
- Children in Schools
- Youth Services
- Children's Disability Team

**27.** Members of the panel were advised that there were a number of risks and opportunities arising from the economic climate, demographics and changes to legislation including –

- Increases in the birth rate, placing ongoing pressure on school accommodation capacity
- An increase in the number of children in care, driven partly by the Southwark judgement
- Higher numbers of young people presenting as homeless
- Strong changes in policy direction towards prevention and early intervention

**28.** Members of the board raised concerns that schools developed through the city councils Private Finance Initiative (PFI) programme would be transferred to academy status with the local authority having continuing revenue liabilities with lessened control over the assets.

**29.** It was not clear to the panel how the Children and Young People's Plan is to be resourced, including financial commitments by the Police and Health agencies.

**30.** It was not clear what capital spending priorities for schools would be beyond the funded programme.

**31.** Concern was raised about the lack of take-up of free school meals given the impact of the economic downturn on personal finances.

**32.** Financial support for Young Carers appeared to continue to be funded from children's services budgets, rather than from adult social care despite recommendations following the Young Carers' review.

**33.** The Panel was not convinced that there was a coordinated cross Council response to the issue of Child Poverty and worklessness amongst young people, with clear accountability and delivery arrangements at Council and Partnership level.

34. The Panel felt that the Common Assessment Framework should be revisited in the light of changing economic and demographic circumstances to ensure that it is fit for purpose to meet the needs of children.

35. Concerns were raised as to whether families understand the localities framework and are able to access services and advice from social care, health and housing agencies.

36. Questions were raised as to how numbers of 18 year olds entering further education were being measured, and what resources were being allocated to meeting targets.

37. This being the Director for Children's Services last appearance before the Board, she was thanked for her significant personal contribution to the improvement of services to children and young people and for her leadership role in the city.

## Recommendations

<b>To Cabinet -</b>	
R5	Additional clarification is sought regarding multi agency funding of the Children and Young People's Plan.
R6	Plans to increase take-up of free school meals, with in year targets, be submitted to the Children and Young People's scrutiny panel.
R7	Department to provide additional detail on schools infrastructure plan to include impact of Academy transition on the Council's PFI liabilities, and actions being taken to address this.
R8	Schools capital spending priorities beyond those in the funded capital programme are published.
R9	Cabinet member to supply evidence of a coordinated cross Council response to the issue of Child Poverty and worklessness amongst young people, with clear accountability and delivery arrangements at Council and Partnership level and SMART targets for review during the coming year.
R10	A review of the Common Assessment Framework be undertaken to ensure that it is fit for purpose in the new economic environment.
R11	A report is prepared for the Management Board outlining how Children's services, Plymouth Community Healthcare, Adult Social Care and Plymouth Community Homes are jointly providing aligned and coordinated locality based services that are understood and accessible to customers.
R12	Cabinet assurance is sought that plans are in place to ensure a smooth and seamless transition for children in care to adult social care.

## Health and Social Care

**38.** Members welcomed the Cabinet Member for Adult Health and Social Care and the Director of People to the Adult Health and Social Care challenge. The session focused on –

- Adult Safeguarding
- Assessment and Care Management Service
- Adults
- Self-directed Support Service
- Health Commissioning

**39.** Members of the panel were advised that there were a number of risks arising from the economic climate and changes to legislation including –

- Rising numbers of older people and increasing levels of long term care
- Potential market failure of service providers
- Legal and Legislative changes
- Responsiveness of the local care market
- Structural reforms of partner agencies

**40.** Members expressed concern that the fundamental changes to the delivery of adult social care services were not fully explored within the corporate plan. Members noted that the service was currently undertaking a three year plan to address budget pressures and future demographic changes that would impact on frontline services. The Board recommended that further details of the Adult Social Care transformation plan were added to the corporate plan.

**41.** Members of the Board recommended that the department should undertake demand forecasting on which to inform the allocation of budget and resources. The production of the forecast information should be monitored by the Adult Social Care Overview and Scrutiny Panel.

**42.** It was noted that the budget to support young carers still sat within Services for Children and Young People. It was felt that the budget ought to sit with adult social care in order to support recommendations of the task and finish group into young carers held by the Children and Young Peoples Overview and Scrutiny Panel in 2011. The Board recommended that the budget to support young carers in the city should sit within adult social care.

**43.** The wider implications of the Adult Social Care transformation programme were considered by the Board. With a focus on helping people to live independently it was felt there could be an effect on jobs in the care sector. The Board recommended that the growth board consider the impact of changes to health provision to the health workforce and consider future health workforce development in the city.

**44.** The role of Health and Wellbeing Board was understood by the Management Board to be key in the future development of health and wellbeing strategy. The Board recommended

that the Health and Wellbeing Board considers appointing additional members of the community and voluntary sector to its core membership.

## Recommendations

To Cabinet -	
R13	To provide Health and Adult Social Care Overview and Scrutiny Panel with an update of the results of the Joint Strategic Needs Assessment and its use in the development of the Health and Wellbeing strategy.
R14	Information to be provided into the impact of the Adult Social Care transformation programme on the adult care sector.
R15	Ensure that the Health and Wellbeing Board has appropriate and effective representation from the community and voluntary sector.
R16	That further details of the Adult Social Care transformation plan were to be incorporated into the corporate plan.
R17	The Adult Social Care service should undertake demand forecasting on which to inform the allocation of budget and resources. The production of the information should be monitored by the adult social care overview and scrutiny panel.
R18	The budget to support young carers in the city should sit within adult social care.
R19	That the growth board consider the impact of changes to health provision on the health workforce and consider future health workforce development in the city.
R20	A report is produced detailing the demographic impact of Plymouth's ageing population.

## Economic Development Challenge:

**45.** Members welcomed the Cabinet Member for Planning, Strategic Housing and Economic Development, the Director for Place and the Assistant Director for Economic Development.

**46.** The past year has seen the Economic Development service dealing with a number of major strategic issues including the future of Plymouth Airport, Plymouth Argyle Football Club, the transfer of RDA Assets, the creation of Plymouth's Growth Fund and the hosting of the America's Cup. In planning a budget for 2012/13, and building on priorities and initiatives already in train, the department has sought to give priority and focus to the following key areas:

- Supporting growth in the city's 6 priority sectors.
- Development of the knowledge economy.
- Driving forward the City's growth hubs – Derriford and the City Centre.

- Tackling youth unemployment and barriers to work.
- Attracting investment and lobbying.

**47.** Given the current economic climate there are a number of risks to the delivery of these priorities and initiatives. Plymouth's historical reliance on employment in a relatively narrow base of economic sectors, means that the service faces a significant challenge in bringing them to fruition and achieving its delivery plans.

**48.** Risks identified include –

- failure to stimulate and support the private sector to create jobs, coupled with a major contraction in the public sector;
- rising unemployment and, in particular, its impact upon young people aged 18 to 24;
- maintaining occupancy and rental levels within the commercial estate.

**49.** Positives and Opportunities include –

- notwithstanding the financial climate, the commercial estate is currently 93% let;
- Plymouth has the 4<sup>th</sup> lowest cost for its Economic Development Services out of 57 unitary authorities;
- creation of a Strategic Projects Team, to drive forward major transformational projects including Derriford and the City Centre, as well as a new economic intelligence function;
- appointment of the City's first Head of Marketing;
- developing capacity in the Strategic Economic Partnership, (Growth Board), along with other key partnerships including Destination Plymouth, GAIN and the Plymouth Waterfront Partnership;
- significant investment in new projects through the creation of the Growth Fund, transfer of RDA Assets, purchase of Derriford Business Park, innovative use of the Commercial estate and supporting the successful RGF application for Princess Yachts;
- through Urban Enterprise, the appointment of a Worklessness Co-ordinator and adoption of a City Worklessness Plan to tackle barriers to work and Youth Unemployment.

**50.** Following discussion around making better use of the commercial estate, and the potential to transfer assets to the community and voluntary sector, Members expressed concern at the Council's reliance on this plan given that the community and voluntary sector have considerably less resource to take on such expense, particularly those that come with costly maintenance liabilities. Members were of the opinion that, in the current economic climate, there was little evidence that community groups would be interested or have the ability to take this responsibility on board.

**51.** Whilst the Board welcomed the establishment of the Growth Fund as a new mechanism to support growth and regeneration, concerns were raised around the security of this funding, whether adequate resources were being directed towards it and the lack of any detail on the 'ring fence' criteria.

**52.** Given the predicted 10% rise in unemployment, assurances were sought that targets had been set for tackling worklessness in the City and that departments were taking a joined up approach in their initiatives, particularly in relation to those not in education, employment or training and the 18-24 age group.

**53.** Concerns were raised about the overall impact of the intended localisation of Non Domestic Rates on the city’s income, as Plymouth was a net beneficiary of current centralised arrangements.

**Recommendations**

<b>To Cabinet -</b>	
R21	Proposals are brought forward to demonstrate how capacity is being built and liabilities offset to enable a viable Community Assets Transfer programme.
R22	Clarification is sought on how the Growth Fund will be maximised and ringfenced to economic development.
R23	Detailed monitoring of worklessness targets and outcomes by project and work area is published regularly.
R24	Undertake a risk assessment of the localisation of non-domestic rates detailing likely impact on the Council’s medium term financial plan.
R25	Cabinet member to supply evidence of a coordinated cross Council response to the issue of worklessness, with clear accountability and delivery arrangements at Council and Partnership level and SMART targets for review during the coming year.

**Transport and Highways Challenge:**

**54.** Members welcomed the Cabinet Member for Transport, the Director for Place and the Assistant Director for Transport. The session focused on the following four service areas –

- Transport Strategy
- Sustainable Transport
- Parking
- Network Management and Amey Contract

**55.** Members of the Board were advised that there were a number of risks and opportunities arising from the economic climate and changes to legislation, including –

- this last year has seen the successful adoption of the Third Local Transport Plan and, in response to changing funding opportunities, the service has been successful in securing two Local Sustainable Transport Fund bids totalling c.£7m;
- National connectivity has been raised in profile for the city, and the service is leading on responding to the GW rail franchise, as well as working closely with the

- Highways Agency to maintain and enhance the performance of the A38 corridor;
- the transport capital programme has been refocused to deliver fewer larger scale projects as opposed to numerous smaller ones;
- a joint Bus Punctuality Improvement Plan has been developed, adopted and implemented with the city's three main bus operators;
- ongoing rising running costs, combined with a downward turn in patronage, continue to pose a risk to the Concessionary fares and subsidised bus services budget;
- significant investment into the operating processes and assets of the parking service has enabled the service to maintain its revenue position despite falling patronage, and without resorting to significant increases in parking charges;
- the camera car has been extremely successful in changing driver behaviour;
- introduction of a new Business Support Permit that will assist those businesses in permit controlled areas in these difficult economic times;
- delivery of the £20m East End road improvement scheme;
- total carriageway revenue and capital funding was increased by £2,280,000 on 2010/11 budgets.

**56.** The key challenge for the service is the management of the c.£2bn of assets it is responsible for and a draft Highway Asset Management Plan is being prepared to better understand the issues and establish what additional funding or change in procedures may be required to ensure the network is maintained to an acceptable level.

**57.** Whilst it is acknowledged that the outcome of the Department for Transport settlement is still awaited, Members expressed concern at the lack of any visible draft capital programme. It was suggested that an indicative allocation should have been shared as part of the budget scrutiny process to provide Members with the opportunity to form an opinion on whether or not the prioritisation within the programme is right.

**58.** Members were pleased to learn of the establishment of a Bus Punctuality Improvement Plan. However, concerns were raised that pockets of the city were being denied access to services following the withdrawal of a number of bus routes. Assurances were sought that all possible opportunities were being explored to ensure access to services were maintained, particularly given that it was often those who were most in need that were affected.

**59.** Questions were raised as to whether the capital investment commitments in vehicles and infrastructure made during the Citybus sale had been honoured.

**60.** The panel were interested to see how parking assets were being used by the Council to support the retail sector in the city, and were concerned about the impact on both parking capacity and the CCTV control room of the proposed redevelopment of the Mayflower East and West car parks.

## Recommendations

### To Cabinet -

R26	Details are published of the indicative Capital Programme (£11.94m).
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R27	Bus Punctuality Improvement Plan is published, with details of punctuality and targets by route/geography.
R28	Update on progress in investment commitments around the sale of Citybus be provided.
R29	Demonstrate how the strategic parking review will support retail growth within the city.
R30	Impact on car parking and CCTV control room of future redevelopment of Mayflower East/West car parks be assessed and mitigated

### Planning Challenge:

**61.** Members welcomed the Cabinet Member for Planning, Strategic Housing and Economic Development, the Director for Place and the Assistant Director for Planning Services. The session focused on the main risks and key budget opportunities for Planning Services which included –

- pressure on planning and building regulation fee income arising from the impact of the recession and on-going fragile economic circumstances;
- increased resistance to the new fees and charges introduced as a result of the 2011/2012 Budget Review process;
- developing a Community Infrastructure Levy Charging Scheme and addressing the major resource implications for future infrastructure planning and co-ordination of resources to support growth;
- investing in development delivery to increase revenue potential of New Homes Bonus;
- investigating opportunities for new models of delivery and reducing costs such as shared services with Cornwall Council to further increase market share, and new service configuration to respond to planning reforms;
- investment in IT to deliver greater e-planning (and therefore drive out further process savings and current sunk costs);
- major reforms of the planning system and new neighbourhood planning arrangements with significant cost and resource implications/opportunities.

### Recommendations

To Cabinet -	
R31	Demonstrate how the Market Recovery Plan identifies priorities for delivery in the coming year and expected outcomes.
R32	Impact of community infrastructure levy (CIL) is assessed on economic development objectives.

R33	Impact of Localism Act – ensure modelling is undertaken to test the capacity of the planning service to respond to the changing legislative environment, particularly to support neighbourhood planning forums.
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### Environmental Services Challenge:

- 62. Members welcomed the Cabinet Member for Community Services (Street Scene, Waste and Sustainability), the Director for Place and the Assistant Director for Environmental Services.
- 63. Key risks to the service include year on year increases on landfill tax to 2014, and fines of up to £150 per tonne if landfill of biodegradable waste exceeds landfill allowances.
- 64. Prior to the waste to energy facilities coming on line, there will be short term pressures on waste disposal resources.
- 65. Members heard that there were not yet firm plans as to how any Night Time Levy might be implemented, but that priorities would be around addressing anti-social behaviour and maintaining cleaner streets.
- 66. It was not clear what mitigation is in place against non-delivery of environmental services budget delivery plans, currently shown as at risk of non-delivery.
- 67. Whilst various initiatives were in place to promote recycling, there did not appear to be an overall cross Council and cross Agency strategy and action plan to address the fact that the city compares unfavourably both regionally and nationally with respect to recycling performance.

### Recommendations

<b>To Cabinet -</b>	
R34	Amend the capital programme to reflect the fact that £4m won't be spent on Materials Recycling Facility in 2012/13.
R35	Provide strategy for potential allocation of the night time levy.
R36	Produce a Recycling Strategy and Action Plan.

### Housing Challenge

- 68. The Panel heard from the Cabinet member that the priorities for housing include the need to continue promoting investment in the city's housing stock across all tenures, to secure continued investment in the regeneration of the North Prospect area of the city and to ensure that the supply of new and affordable housing is maintained. Risks include the impact of the economic downturn on homelessness prevention.

**69.** The Chief Executive of Plymouth Community Homes updated the Panel on progress towards delivering the new organisation’s pledges on stock improvement, regeneration and customer service.

**70.** In response to a query concerning the potential provision by the Council of loan or credit guarantees to those seeking to secure a mortgage or loan for improvements, the Cabinet member informed the Panel that there were no current plans in this area, and that he would be concerned about the financial risks to the Council in embarking on this course of action

**71.** Panel members expressed concern that government support for the provision of new and affordable homes was significantly reduced. In response, the Assistant Director for Housing informed the Panel that Government support for affordable housing development funding was bid for on a national basis by Registered Social Landlords, and that Plymouth was performing well in respect of the amount of available resources that were being invested in the city, although the level of grant for each new build has been reduced, which will impact on future affordable home completions.

**72.** There had been a 28% increase in homelessness presentations by families, and a 50% increase in single persons in the last year, with eleven families currently in bed and breakfast accommodation. A range of schemes were described that are in place to mitigate an increase in homelessness, including the Homelessness Prevention Fund, an ‘Easylet’ scheme comprising 30 units of accommodation and the new Homeless Hostel at George Place, being run in conjunction with the Shekinah Mission. Combined funding of £600k from the Early Intervention Grant and revenue resources was being directed at ‘troubled families’, and all families likely to be affected by housing benefit changes had been individually contacted to review their housing options.

**73.** The Panel heard that there is a projected decrease in the number of household aids and adaptations that would be undertaken, with no discretionary funding benign allocated by the Council or by partners. This presented a risk to the ‘promoting independence’ agenda.

**74.** Revised under occupancy rules with respect to housing benefit would impact tenants of Plymouth Community Homes, and changes to direct payment of housing benefit could impact debt levels and revenue to the organisation.

**75.** The Panel considered that the welfare benefit reforms currently being considered by Parliament present challenges across a number of the Council’s services, and those of its partners, and that these need to be identified and mitigated in a coordinated way, with resource implications addressed.

## Recommendations

### To Cabinet -

R37	The Council to allocate additional resources over and above the grant allocation to major adaptations to ensure that the promoting independence agenda is fully supported.
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R38	An impact assessment is carried out and published of the likely impact of housing benefit and other relevant welfare reforms on both homelessness and existing tenancies, with an action plan demonstrating how the impact on key vulnerable groups is being addressed.
R39	Resources are made available to improve on the current rate of 500 per year of the 18000 properties with category one hazards that are being addressed.
R40	Proposals are consulted on regarding the nature of local schemes for Council Tax benefit and the Social Fund.
R41	How is the Council as a whole addressing the issue of troubled families?

## Finance, Technology, Assets and Efficiencies

**76.** The Panel heard that the Government grant to mitigate the effect of a freeze on Council Tax increases would create certainty for four years from 2012-13, but was nonetheless a 'one-off' grant.

**77.** The Council's pension fund reserve of £1m was sufficient to address anticipated calls on the Council's contribution to the fund.

**78.** No savings had been quantified from the co-location proposals with Health personnel at Windsor House. No savings were anticipated in 2012-13, although 'significant' savings were predicted for future years.

**79.** The Cabinet Member spoke of a 'Huge desire and level of determination to progress shared services', identifying Health as the most likely partner to generate positive outcomes. Collaboration with Devon and Cornwall Constabulary was limited by Home Office direction for police forces to share resources amongst themselves rather than with other statutory partners.

**80.** Attention was drawn to the proposed post in the Council's senior management structure for ICT shared services, with specific reference being made to work with Health agencies and the University.

**81.** The panel enquired as to the level of political and managerial leadership for a clear programme with respect to shared services, setting out the Council's objectives in this regard, and identifying potential partners amongst partner agencies and other councils.

**82.** The Panel heard that the Council was committed to supporting community asset transfer where appropriate, but there were no specific plans for investment in assets to offset the impact of the transfer of liabilities to receiving organisations.

**83.** Reassurances were received that the 'sale and leaseback' proposal to fund the refurbishment of the Civic Centre would provide a solution to the investment needs of the building over the next twelve months, although there were no funded contingency arrangements should this not be the case.

**84.** With respect to the Council's capital programme, the Director for Corporate Services confirmed that the Council would spend £87m by the year end, and that the Academies programme would roll forward to 2013-14.

**85.** The Panel heard that ICT efficiencies were compromised by the number of 'stand-alone' IT applications in place across the Council, with 277 applications being maintained against a more appropriate target of 150. It was not clear what 'spend to save' requirement could be identified to bring forward a reduction in the number of applications supported over the next year.

**86.** Anticipated savings of £1m from the implementation of the Transaction Centre had been generated, but it was not clear what further integration of services into the centre could be achieved to build on these efficiencies.

## Recommendations

<b>To Cabinet -</b>	
R42	Provide the projected savings for post 12/13 co-location with Health at Windsor House.
R43	Provide a shared services plan that defines principles and definitions of shared services, with expected outcomes for the Council, proposed principle and secondary partners, Member and officer leads and accountabilities. Propose milestones and projected outcomes for the coming year and beyond.
R44	Bring forward Transaction Centre integration proposals for addition integration of services for the coming year, with projected efficiency savings.
R45	Ensure capital priorities are clearly linked to city priorities.
R46	Publish plans to reduce IT applications across the Council, with projected targets and financial savings.
R47	Bring forward proposals as to how as yet unfunded capital investment priorities can be considered prior to funding becoming available.
R48	Identify contingency plans if no partner investment is available for the Civic Centre following tender exercise during 2012-13.
R49	A review is undertaken into the procurement, shared services and location risk assessment arrangements of the data centre.

## Human Resources and Organisational Development

**87.** During discussion of the council's interim staff survey results, the increase in staff engagement levels by 5% to 62% against a national benchmark of 61% for the public sector and 64% for the private sector was acknowledged. However, attention was drawn to a corresponding and equal drop in the number of staff thinking that good use was being made of their skills and abilities, and in those still wishing to be employed by the Council in twelve months' time.

**88.** The impact of not reaching the Council's target for days lost through sickness was equated to 80 Full Time Equivalent staff, at a cost of £1.6m.

**89.** The Panel was keen to understand the detail of workforce development plans, how they were being resourced and what specific outcomes were being anticipated. There was some debate as to whether sickness and appraisal targets for individual departments were aspirational or whether senior managers were being actively held to account for them.

## Recommendations

To Cabinet -	
R50	What targets are being set for key staff engagement measures for the coming year, and how are they to be met?
R51	What are the SMART targets by service area for sickness in the coming year and how are managers going to be held accountable for delivering them?
R52	Publish a Workforce Development with resource requirements and measurable outcomes.

## Customer Services

**90.** The focus of questioning with respect to customer services was the progress of the Council in improving the availability of services outside standard weekly working hours. The panel heard that there was not currently a business case for a fully transactional website, and that the vision for libraries as customer service hubs was not yet completed.

**91.** Concerns were raised as to whether the impact of the economic downturn and of welfare reforms on customer services had been fully analysed and the necessary mitigation of risk both to staff and to customers put in place.

## Recommendations

To Cabinet -	
R53	The business case for a fully transactional website to be published and made available for consultation.
R54	Libraries review to include consideration of further engagement work with the community and voluntary sector and to be made available for pre-decision scrutiny.
R55	Undertake a risk assessment of customer services ability to deal with increased demand and contacts during welfare reform implementation.

## Democracy and Governance

**92.** During a discussion of the Lord Mayoralty, no commitment could be given to the avoidance of further reductions in budgetary provision, although consultation would be undertaken with the Lord Mayor Elect in the coming months, and the Board would await the recommendations of the proposed Task and Finish review into the issue.

**93.** Concerns were raised at to the proposal for a further £25k reduction in democratic support, and a commitment was made to consult with all members into any proposed changes to scrutiny arrangements.

**94.** Legal Aid reforms would potentially reduce access to representation by victims of domestic abuse, but the Council was making additional legal resources available to mitigate this.

**95.** Concerns were raised as to the potential impact of electoral reform on voter numbers.

**96.** The level of payments to the returning officer was questioned.

## Recommendations

To Cabinet -	
R56	Scrutiny management Board to receive proposals on changes to committee and scrutiny structure.
R57	Identification of mitigation to offset impact of lack of statutory legal aid representation for priority groups.
R58	An appropriately funded plan be put in place to mitigate the likely impact on voter numbers of the proposed electoral reforms.

R59	Any decision to use the Life Centre for the count at the local elections is informed by cost and value for money implications.
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## Wrap Up Session

97. The Leader and the Corporate Management Team joined the Panel for the final session.

98. The panel asked the Executive whether, in their opinion, the Corporate Plan and priorities for the city were still appropriate given the changed economic and legislative circumstances faced by the city.

99. The Chief Executive responded that the long term vision and four priorities remained appropriate for the city, but that partners needed to share and demonstrate through their actions a common understanding with the Council of the scale of the task that lay ahead. In addition the Council needed to demonstrate more effectively that key themes, initiatives and programmes were being effectively coordinated and delivered across all Council services.

## Recommendations

To Cabinet -	
R60	Ensure the city's long term priorities clearly reflect the more turbulent economic climate we are moving through and that the medium term focus on key areas of delivery is clearly drawn out in the Corporate Plan.
R61	Investigate the best ways of joining up our various priority areas of delivery through an overall programme.
R62	Provide risk mitigation around red delivery plans in 2012-13.



# CABINET

7 February 2012



## OVERVIEW AND SCRUTINY MANAGEMENT BOARD

### MINUTE 84 OF 1 FEBRUARY 2012

#### SCRUTINY OF BUDGET PRIORITIES AND CORPORATE PLAN 2012

The Chair and Lead Officer presented for consideration the minutes and draft report arising from scrutiny of the Budget Priorities and Corporate Plan 2012. Members welcomed the detail in the report and agreed that it accurately reflected the discussions which had taken place over the three-day period, subject to a few minor changes to some of the recommendations. Concerns were raised about the level of the detail in the information that was presented as part of the budget scrutiny process and discussion took place on how things could be improved for next year.

Agreed –

- (1) the minutes of the meetings held on 11, 16 and 18 January and the Budget Priorities and Corporate Plan 2012 report, subject to the following changes –
- R4 to be removed and attached to R55 so that the library related issues are covered by one recommendation – amended R55 to read “Libraries review to include consideration of other engagement work with the community and voluntary sector and to be made available for pre-decision scrutiny;
  - R8 to be deleted;
  - R14 to be amended to read “Cabinet assurance is sought that plans are in place to ensure a smooth and seamless transition for children in care to adult social care”;
  - R16 to be amended to read “Information to be provided into the impact of the adult social care transformation programme on the adult care sector”;
  - R17 – delete the word “sufficient” and replace with “appropriate and effective”;
  - R21 – “changes to health provision to the health workforce” be amended to read “changes to health provision on the health workforce”
  - the inclusion of an additional recommendation after R21 to read “A report is produced detailing the demographic impact of Plymouth’s ageing population”;

- moving R38 to the 'wrap up' session at end of the report and delete the words "in Environmental Services";
- R39 – insert the words "over and above the grant allocation" immediately after "additional resources";
- the inclusion of an additional recommendation after R50 to read "A review is undertaken into the procurement, shared services and location risk assessment arrangements of the data centre";
- R59 to be amended to read "An appropriately funded plan be put in place to mitigate the likely impact on voter numbers of the proposed electoral reforms";
- the inclusion of an additional recommendation after R59 to read "Any decision to use the Life Centre for the count at the local elections is informed by cost and value for money implications";

(2) that a review of the budget scrutiny process is added to the Board's work programme for 2012/13.