

Select Committee Review – Budget Scrutiny

Wednesday 6 December 2023 & Thursday 7 December 2023

PRESENT:

Councillor Darcy, in the Chair.
Councillor Murphy, Vice Chair.
Councillors Bingley, Blight, Carlyle, Harrison, Nicholson, Poyser, Raynsford, Reilly, Stephens, Tippetts and Tuffin.

1. Appointment of Vice Chair

The Committee agreed that Councillor Pauline Murphy would be Vice Chair for the meeting.

2. Declarations of Interest

No declarations of interest were made.

3. Chairs Urgent Business

There were no items of Chair's urgent business.

4. Session One - Welcome and Overview

Also in attendance: Councillor Evans OBE, Councillor Laing, David Draffan (Service Director for Economic Development), Ross Jago (Head of Governance, Performance and Risk), Tracey Lee (Chief Executive), David Northey (Interim Service Director for Finance) and Anthony Payne (Strategic Director for Place).

Councillor Evans OBE (Leader of the Council) provided an overview to the process and the conditions under which the budget was set:

- a) The national economy was inflicted with elevated levels of inflation and the associated uplift in the minimum wage was affecting the levels of spending on the council budget;
- b) Increases in costs to Adult Social Care and Children's Social Care, including SEND costs and the increase in cost of transport for these individuals;
- c) As many as one in five councils were on the cusp of bankruptcy;
- d) As a top tier unitary authority with more than 300 services to operate, certain choices would need to be made to between the funding of certain services;

e) There were strategies and funding in place for various projects, such as the Freeport, Levelling up bid, National Marine Park and shore power.

In response to questions, the following was discussed:

- f) The aspirations and rationale of the budget;
- g) The outlook and impact of increased funding in Children's Services;
- h) The impact of the minimum wage increase, pensions and Revenue Support Grant funding;
- i) Support for small schemes of money such as community grants and living streets funds;
- j) The 2% precept uplift for council tax;
- k) The potential savings from the instigation of annual elections;
- l) Workforce Productivity, flexible working and building occupancy;
- m) Risk Management and review of risk management processes;
- n) The Council Tax collection rate;
- o) Accessibility to services, equality and stakeholder engagement and consultation;
- p) Economic development, growth, investments and the quality of, social values of and return on said investments;
- q) The capital programme and the needs and allocated budget and the moving of revenue to capital;
- r) The localness and social values of spending, investment and procurement;
- s) Staff sickness absence, well-being and the use of contractors/temps.

5. **Session Two - Health and Social Care**

Also in attendance: Councillor Aspinall, Councillor Lowry, Emma Crowther (Interim Head of Commissioning), Julie Frier (Consultant in Public Health Medicine), (Ross Jago (Head of Governance, Performance and Risk), David Northey (Interim Service Director for Finance) and Helen Slater (Lead Accountancy Manager).

Councillor Aspinall (Cabinet Member for Health and Adult Social Care) gave an overview of the areas budget and discussed:

- a) The 2023/24 Adult Social Care (ASC) budget was £88.859m including £107m for care packages. Budgets were offset by client income and grant funding;
- b) The budget had supported 4,713 people in residential and nursing homes, community settings, and through direct payments;
- c) ASC currently supported 3,620 individuals. Demand for support had approximately returned to pre-pandemic levels however, increased complexity of need and the 'cost of living crisis' had resulted in considerable cost pressures;
- d) Compared to the previous year, average weekly costs of residential care had risen 8.9%, nursing care had risen 18.6%, and domiciliary care packages had risen 10.7%;
- e) The 2024/25 draft budget for ASC was £97 MM, which included a growth of £7.99 MM to reflect inflationary and demand pressures.
- f) £3.448 MM had been added to the budget to cover the rise in the National Minimum Wage however, confirmed figures of 11.44 /hr would require an additional £1.99 MM;
- g) The Local Government Settlement was due on 19 December 2023 however, Government would not be providing financial resources to cover the increase in the National Minimum Wage;
- h) Packages of care were tailor-made to individual's needs, and were subject to review;

In response to questions, the Committee discussed:

- i) The Local Authorities responsibility for ensuring ASC needs were met;
- j) The impact of inflation and the cost of living on providers in the care market;
- k) Close partnership between the PCC commissioning team and care providers to ensure quality and continuity of care;
- l) The establishment of 'Caring Plymouth' to encourage and support people into caring roles;
- m) The Governments' new restrictions on immigration could negatively affect the sector, particularly as many workers could not bring their families;
- n) Positive discharge performance for Devon, Cornwall and Plymouth;
- o) An estimated 6% rise for care fees and charges for those who were financially assessed as required to contribute toward their care;

- p) The Government's withdrawal of previous commitments to the development of the Colin Campbell Court, West End Hub;
- q) The development of a Community Diagnostic Centre on the land at Colin Campbell Court;
- r) Ongoing communications between PCC and NHS Devon ICB to improve the health outcomes of the city. ICB funding was frozen until 2025;
- s) The impact of early intervention and treatment, both for long term wellbeing, and financial efficiency;
- t) A Strategic Needs Assessment had been undertaken to assess the long term future needs of the city;
- u) The recovery of waiting lists for Domiciliary care to 15 people waiting per week, as opposed to over 200 during the COVID19 Pandemic;
- v) The ongoing monitoring of performance and safeguarding metrics, and the role of the CQC in providing regulatory oversight;
- w) An ongoing need to improve 'No Criteria to Reside' performance at University Hospitals Plymouth (UHP), particularly for Cornwall which experienced higher delays;
- x) The expanding use of 'care in the community' and virtual wards to reduce pressure on hospital admissions;
- y) The development of the 'Caring Plymouth' programme;
- z) The need for Plymouth to receive its 'Fair Shares' funding from the ICB;
- aa) Planned zoning for new domiciliary care contract procurement to enable each agency to take the lead for one area within the city;
- bb) Following a rise in adult safeguarding costs due to demand pressures, a review had been commissioned and ongoing training was being provided to staff to ensure referrals were appropriate;
- cc) Ongoing work being undertaken to identify and address health inequalities within the city.

Councillor Aspinall concluded by saying that:

- dd) The team and herself were confident that, despite many pressures and ongoing challenges, the budget gap would be closed;
- ee) Next year's budget was of large concern. PCC were currently awaiting the Local Government Settlement announcement however, the Public Health budget had always been under-financed. Additional funding would be required

to meet challenges caused by the rise in the national minimum wage, inflationary pressures, and rising complexity of need.

6. **Session Three - Children and Young People**

Also in attendance: Councillor Cresswell and Councillor Laing, Nigel Denning (Interim Service Director for Children, Young People and Families), Matt Fulton (Lead Accountancy Manager for Children, Young People and Families), Annie Gammon (Interim Service Director for Education, Participation and Skills), David Haley (Director of Children's Services), Ross Jago (Head of Governance, Performance and Risk), and Louise Jenkins (Lead Accountancy Manager for Education, Participation and Skills).

Councillor Cresswell (Cabinet Member for Education, Skills and Apprenticeships) gave an overview of education and highlighted:

- a) There was a budget uplift of £1.37 million for expected cost and volume pressures in Home to School Transport (£1 million) and SEND short breaks (£0.37 million);
- b) There was an overspend of £1.889 million due to an increase in the number of children meeting statutory thresholds at increasing costs related to home to school transport;
- c) The number of children with an Educational Health Care Plan increased by 36%;
- d) Additional funding of £2.42 million would be required in 2024/25 budget due to additional pressures within home to school transport;
- e) The service would be looking to ensure children's needs were being met in a school or specialist provision closer to home;
- f) The Service was delivering the Local Area SEND action plan following a local area inspection in 2023 which would improve inclusion and school attendance and reduce mobility and exclusions;
- g) All other budget pressures were predicted to be balanced for 2023/24;
- h) Long term actions were being planned to control costs in 2024/25 and into the future;
- i) The Council would look to maintain children and young people in their local schools rather than specialist provision;
- j) The Council would increase the number of special schools and places in Plymouth to meet the increased demand into the future;
- k) The Council was evaluating route optimisation for Home to School Transport and reduce single use taxi routes;

Councillor Laing (Cabinet Member for Children's Social Care, Culture, Events and Communications) gave an overview of children and young people and highlighted:

- l) Financial pressures for Children's Social Care were due to high cost residential placements and the use of Independent Fostering Agencies;
- m) Additional investment was provided to Children's Social Care to manage capacity within the services;
- n) Additional budget was proposed to provide additional capacity for the predicted number of families requiring a service from the Council;
- o) A recruitment and retention package would be formulated to entice potential foster carers to the Council;
- p) The Council was exploring new ways to help children and young people to live with their families under connected carer arrangements.

In response to questions, the following was discussed:

- q) Good planning of special educational needs provision and lower transport costs;
- r) The Council would look to provide as many placements as possible in mainstream schools;
- s) The Council would be driving early intervention in both services to reduce the number of EHCP applications and to reduce the number of high cost placements for cared for children and young people;
- t) Partnerships across the city would be vital in the delivery of early intervention and the Council would look to implement its Transformation programme to enact the change required;
- u) The Council would look to develop with partners joint resource allocations and joint commissioning arrangements which were not well developed;
- v) The Council would be moving to a locality approach delivered by multi-disciplinary teams in the city;
- w) A training and development programme would be implemented for the service;
- x) A recruitment drive would begin in January 2024 to permanent posts at senior levels to provide stability, endurance and investment for the future;
- y) The Council would prioritise a reduction in caseloads for social workers which would retain social workers as well as the production of good quality work for families in Plymouth;

- z) Travel training for children and young people would be undertaken to promote independence, but also to reduce costs;
- aa) Personal Advisors for care leavers had increased as those young people were concerned at the level of service they had received;
- bb) The Council was targeting some multi academy trusts where special educational needs was weakest by challenging and supporting them;
- cc) The Council would be working hard to drive down the time for assessments for children requiring an EHCP;
- dd) The Council would look to complete more reviews of ECHP's on time and of good quality;
- ee) Initial discussions would take place with a social housing provider to ring-fence accommodation for the use of Care Leavers;
- ff) The Council was engaging its looked after children in independence skills at a much earlier age;
- gg) The number of children and young people in a school that had been rated good or outstanding had increased significantly;
- hh) Plymouth needed to move at pace into a sector led education space;
- ii) Budget allocation for training staff;
- jj) Potential Council Tax exemptions for Plymouth City Council foster carers;
- kk) The Council would be as part of the sufficiency strategy transitions from primary school to secondary school for children that were hearing impaired;
- ll) Schools energy budgets apart from one had been balanced.

7. **Session Four - Homelessness / Cost of Living**

Also in attendance: Councillor Dann, Councillor Penberthy, Ross Jago (Head of Governance, Performance and Risk), Jackie Kings (Community Connections Strategic Manager), Giles Perritt (Assistant Chief Executive), Rachel Silcock (Community Empowerment & Operational Lead), Helen Slater (Lead Accountancy Manager), Chris Squire (Service Director for HROD), Gary Walbridge (Interim Strategic Director for People).

Councillor Dann (Cabinet Member for Customer Services, Sport, Leisure and HR & OD) introduced her budget area and highlighted:

- a) The leisure budget was one of the smaller parts of the budget;

- b) Budget pressures on HR & OD;
- c) Pressures on IT to keep the Council safe, within a tight budget;
- d) A budget saving in business support had not been met;
- e) Cost of Living Action Plan.

Councillor Penberthy (Cabinet Member for Housing, Cooperative Development and Communities) introduced his budget area and highlighted:

- f) The areas his portfolio covered;
- g) He wanted to focus on homelessness, which had been rising nationally due to the cost of living crisis, changes to rental legislation;
- h) 2044 households approached the Council for homelessness support in 2019/20, and the forecast for 2022/23 was over 3700;
- i) The increase in demand had led to an increase in the number of households in emergency accommodation and there had been an increase in the cost of nightly paid accommodation;
- j) A homelessness taskforce had been set up to help drive a homelessness recovery plan as well as develop a new plan for homes;
- k) Alternative forms of temporary accommodation;
- l) Increase in homelessness prevention;
- m) New affordable accommodation;
- n) Additional money had been put into the budget for homelessness.

In response to questions, the following was discussed:

- o) Digital access to contact the Council, and provision for those who were not able to contact digitally;
- p) Rough sleeper numbers fluctuated between 10-20 per night;
- q) £1 million savings target was achievable with changes, meaning that costs would be covered by housing benefit;
- r) £10 million was to be spent on family housing to help reduce the cost of temporary accommodation;
- s) Increased affordable housing provision and use of a direct delivery model;

- t) Plan for Homes 4 was due to go to the Growth and Infrastructure Overview and Scrutiny Committee in February 2024 for pre-decision scrutiny;
- u) Refugee and asylum seeker support schemes and partnership working;
- v) Work with partners on housing pipeline;
- w) Utilisation of technology and automation to be used for some administrative tasks to free up members of staff for other, more complex tasks;
- x) Blue badge application support;
- y) No separate budget for gypsy and traveller encampments;
- z) 23 encampments in 2022/23, with an expected drop in 2023/24;
- aa) Targeted hardening of sites of unauthorised encampments;
- bb) Sites in the Joint Local Plan were being focused on within the Plan for Homes 4;
- cc) There were no plans to release any land in 2024/25, so no budget line for income on this matter;
- dd) IT support provision within community sector;
- ee) Modernisation of Plymouth City Council's website;
- ff) Agency workers;
- gg) Senior leadership team vacancies;
- hh) Apprenticeship opportunities;
- ii) Absence rates;
- jj) Mental Health support and prevention;
- kk) Work with partners on homelessness support for young people;
- ll) Plymouth Active Leisure subsidies and work on increasing revenue;
- mm) Corporate property maintenance prioritisation;
- nn) Homelessness register review;
- oo) Strategic partnerships to generate investment and housing projects;

- pp) Additional pay grades, specialist roles;
- qq) Development of a people plan, to include a focus on apprenticeships, recruitment and retention;
- rr) Community centres;
- ss) Lobbying government for longer term, more holistic funding and the household support fund continuation.

8. **Session Five - Place Services**

Also in attendance: Councillor Tom Briars-Delve (Cabinet Member for Environment and Climate Change), Councillor Mark Coker (Cabinet Member for Strategic Planning and Transport), Paul Barnard (Service Director for Strategic Planning and Infrastructure), Ross Jago (Head of Governance, Performance and Risk), Anthony Payne (Strategic Director for Place) and Philip Robinson (Service Director for Street Services).

Councillor Briars-Delve (Cabinet Member for Environment and Climate Change) gave an overview of his budget area and highlighted the following points:

- a) Environmental Services, including Environmental Planning and Street Scene, was one of the largest departments in the Council, comprised of nearly 500 staff and had a gross budget of £41 million and a net budget of £21 million;
- b) The largest element of Environmental Services was Street Scene and Waste Services which stood at £8 million net, and included waste recycling collection, street cleansing and grounds;
- c) Environmental Planning had continued to help the Council access external and national funding which would deliver nature and community projects;
- d) The income for Environmental Planning would increase in 2024-25 to £1.9 million;
- e) Statutory services had been carried out to over 123,000 households throughout 2022-23 and the garden waste service had been used by over 26,000 households;
- f) The Climate Impact Assessment Tool had been implemented and applied to all key decisions made by the Council;
- g) Carbon Literacy training had been carried out with officers and Councillors;
- h) A total of over £11 million of grant funding had been secured to aid net zero infrastructure and sustainable transport projects.

Councillor Coker (Cabinet Member for Strategic Planning and Transport) gave an overview of his budget area and highlighted the following points:

- i) The Department for Transport visited the Bus Section which resulted in a £1.6 million grant for a two year period to maintain and enhance the network;
- j) Active Travel Funding had been successfully acquired and had enabled the delivery of Safer School Street Programmes;
- k) Plymouth was the best Local Authority in the country at delivering cycle training for children in Year 6;
- l) Plymouth had been made the Vice-Chair of the Peninsula Transport Board and Chair of the Rail Task-Force;
- m) Living Streets Budget for Councillors would be reintroduced.

In response to questions, the following was discussed:

- n) All roads in Plymouth were professionally monitored and evaluated and undertook an annual road condition survey;
- o) Section 106 updates for all Councillors would be reintroduced;
- p) Plymouth City Council were working towards a silver accreditation as a carbon literate organisation;
- q) Ongoing contract negotiations were considered in the budget;
- r) The awarded funding from the Department for Transport (DFT) was awarded contractually to the Council to spend on bus services;
- s) A Bus Champion had been introduced to be the go between the bus companies and members of the public;
- t) Plymouth City Council had worked directly with Plymouth Energy Community resulting in an additional £3 million of grant funding, which was directed towards providing insulation and clean heating improvements;
- u) Plymouth City Council wanted to deliver one of the biggest community owned and led solar farms in the country;
- v) By the end of 2024, Plymouth City Council aimed to have the majority of it's electricity sourced from renewables, with the goal of achieving 100% renewable energy by 2030;
- w) An additional £300,000 had been factored into the budget for grass-cutting;
- x) Plymouth City Council was the first in the country to set up a habitat bank;

- y) The carbon measurement and impact on the climate was considered when using a velocity machine to repair road defects;
- z) Upon responding to fly-tipping reports, the surrounding area would undergo inspection for additional waste;
- aa) Individual officers would be appointed to be responsible for street cleaning hotspots;
- bb) Staff members were put in place to educate schools on waste management;
- cc) Highways did a flooding and severe weather preparation task annually;
- dd) Plymouth City Council was only responsible for 1% of Plymouth's carbon emissions.

9. **Recommendations**

Requests of Government

Highlight the difficulty of operating services in the financial climate and:

1. Request a multi-year finance settlement for the Council against demand-led costs;
2. Request appropriate financial uplifts to deal with the Living Wage and inflation;
3. Request a review of Adult Social Care Funding, so that funding is allocated on need/demand rather than the ability of Councils to raise Council Tax;
4. A long-term strategic funding solution for Homelessness;
5. Welcome an increase in Local Housing Allowance and request that the calculation of the 30th percentile of market value is undertaken in April 2024;
6. Request continuation of the Household Support Fund;
7. Reconsider recently announced changes to immigration rules given the significant impact this is likely to bring to bear on the Social Care workforce;
8. Review home to school transport eligibility and additional options which could mitigate costs to the Local Authority;
9. Highlight that the additional funding for highway maintenance (£366k in 23/24 and 24/25) is insufficient for current requirements.

Recommendations to Cabinet

- I0. Recommend that work is undertaken to assess the impact upon all council budgets of dealing with unauthorised encampments (UE) and consider a centralised budget to deal with costs so that service budgets are not impacted by UE;
- I1. Welcome continuation of current Community Grant Scheme and recommend an increased back to £5,000 per member;
- I2. Re-profile the Capital programme to ensure that the programme is affordable for the revenue budget;
- I3. Recommend an expansion of the housing programme for Care Leavers;
- I4. Recommend that a cross party working group is established to consider contractual arrangements for major projects and the methodology for procurement.

Congratulate the Cabinet on

- I5. Additional Funding provided in the budget for Grass Cutting;
- I6. The commitment to a new Living Streets programme;
- I7. Increased involvement of Ward Councillors in discussion related to Section 106 Monies;
- I8. Commitment to not implementing Car Park charges where they are not currently in place;
- I9. The new Bus Service Improvement Plan.