

Co-operative Scrutiny Board

Wednesday 24 September 2014

PRESENT:

Councillor James, in the Chair.

Councillor Bowie, Vice Chair.

Councillor Mrs Beer, Councillor Sam Davey (substitute for Councillor Philippa Davey), Councillor Michael Leaves (substitute for Councillor Sam Leaves), Councillor Morris (substitute for Councillor Mrs Aspinall), Councillor Murphy, Jon Taylor and Councillor Tuohy (substitute for Councillor Kate Taylor).

Apologies for absence: Councillors Mrs Aspinall, Darcy, Philippa Davey, Sam Leaves and Kate Taylor.

Also in attendance: Alex Claybrook (Deloitte), Malcolm Coe (Assistant Director for Finance), Alex Handley (Performance and Research Officer), Councillor Lowry (Cabinet Member for Finance), Tracey Lee (Chief Executive), Councillor Penberthy (Cabinet Member for Co-operatives, Housing and Community Safety), Giles Perritt (Assistant Chief Executive), Father Sam Philpott (Child Poverty Champion), Candice Sainsbury (Senior Policy, Performance and Partnerships Adviser), David Trussler (Interim Strategic Director for Transformation and Change), Councillor Ian Tuffin (Cabinet Member for Health and Adult Social Care) and Helen Wright (Democratic Support Officer).

The meeting started at 4.00 pm and finished at 6.05 pm.

Note: At a future meeting, the committee will consider the accuracy of these draft minutes, so they may be subject to change. Please check the minutes of that meeting to confirm whether these minutes have been amended.

46. **APPOINTMENT OF VICE CHAIR**

The Board agreed to appoint Councillor Bowie as Vice Chair for this particular meeting.

47. **DECLARATION OF INTEREST**

In accordance with the code of conduct Councillor Michael Leaves declared a disclosable pecuniary interest relating to agenda item 55.

48. **MINUTES**

The Board agreed that the minutes of the meeting held on 13 August 2014 are confirmed as a correct record.

49. **CHAIR'S URGENT BUSINESS**

There were no items of Chair's urgent business.

50. **WORK PROGRAMMES**

The Board submitted its work programme for consideration together with the work programmes for Ambitious Plymouth Panel, Caring Plymouth Panel, Working Plymouth Panel and Your Plymouth Panel.

The Board agreed its work programme together with Ambitious Plymouth Panel, Caring Plymouth Panel and Your Plymouth Panel.

The Board further agreed that –

- (1) Collaborative Enforcement is included on the Working Plymouth Panel's work programme;
- (2) progress updates relating to the GAME Transformation Programme will be scrutinised by the Working Plymouth Panel; (as these items are included within the Your Plymouth Panel's terms of reference, the Panel will receive updates by email).

51. **DECISIONS TAKEN UNDER DELEGATED AUTHORITY**

The Chair reported that the Working Plymouth Panel and the Your Plymouth Panel had undertaken two joint meetings to review the Waste Collection Re-organisation business case and the Brilliant Co-operative Street Services, Category Management Fleet Services and Commercialism elements of the Growth and Municipal Enterprise Programme.

The recommendations arising from the two meetings had been agreed under delegated authority with the lead officer in consultation with the Chair and Vice Chair.

The Board noted the decisions taken under delegated authority.

52. **TRACKING DECISIONS**

The Board considered its schedule of decisions and noted the latest position.

53. **FORWARD PLAN OF KEY DECISIONS AND PRIVATE BUSINESS**

The Board considered the following executive decisions contained in the Forward Plan which were scheduled to be discussed at Cabinet between November 2014 and January 2015 –

- review and prioritisation of the capital programme;
- collaborative enforcement, shared problems, shared solutions;
- Cities of Service;

- new Community Economic Development Trust;
- future delivery of Highways Services;
- parking IT and PCN processing contract;
- Tamar Bridge and Torpoint Ferry Joint Committee – bridge office development;
- transition support for young people into education, employment and training – tender of contract;
- residential and nursing care home fair price for care;
- contract award for community service equipment;
- implementing the Care Act 2014.

The Board agreed that the Caring Plymouth Panel include Implementing the Care Act 2014 on its work programme.

54. **CHILD POVERTY**

The Cabinet Member for Co-operatives, Housing and Community Safety (Councillor Penberthy), the Cabinet Member for Children, Young People and Public Health (Councillor McDonald), Senior Policy, Performance and Partnerships Adviser (Candice Sainsbury), Father Sam Philpott (Child Poverty Champion), Performance and Research Officer (Alex Handley) presented the annual update on the Child Poverty Strategy, which highlighted the following key issues –

- (a) child poverty was essentially a result of poverty in families; child poverty matters because it meant that children were suffering now and their future lives could be blighted;
- (b) in 1999, the Government made a commitment to end child poverty by 2020; the Child Poverty Act was published in 2010 in order to deliver this and also placed a number of duties on local authorities and other local delivery partners to work together to tackle child poverty;
- (c) Plymouth shaped its own response to child poverty based on its understanding of child poverty as the outcome of economic, environmental and social factors that could damage a child's development and limit or prevent children and young people from having many of the experiences and opportunities that others took for granted;
- (d) 'Child Poverty Matters – the Child Poverty Strategy' for Plymouth 2013-2016 was endorsed at Full Council in June 2013;
- (e) the child poverty cross party working group was established in June 2014 and included three Labour and three Conservative councillors, including the Cabinet Member with responsibilities for child poverty;
- (f) the update on the Child Poverty Action Plan had been provided to the child poverty working group over the past 12 months and provided updates on the following areas –

- financial support and independence;
 - family life and children's life chances;
 - communities and neighbourhoods;
- (g) the 'conversation' about child poverty in Plymouth, had been led by Father Sam Philpott and had taken place on 16 July 2014 with around 30 stakeholders from across the city; there were a number of key themes that emerged from the conversation which included –
- the need for active leadership to ensure intolerance of children living in poverty in the city;
 - the requirement for a holistic service planning and delivery approach.

Father Sam Philpott thanked the council for inviting him to take the role as Child Poverty Champion. His ambition was for Plymouth to be known as the child poverty free zone, intolerant of children living in poverty and his goal was for both councillors and council staff to become Child Poverty Champions (the council's partners would also need to be engaged in this process). Aspirations would also need to be raised and practical ways of helping children to climb out of poverty needed to be found.

In response to questions raised by the Board, the following was reported –

- (h) the figures provided within the scorecard were based on the latest available data; the information highlighted how the performance had changed since 2010 against current performance also the national position;
- (i) Plymouth had a low income economy and had witnessed over the last three years a worrying trend with a drop in wages; one of the main reasons for this situation could be attributed to the higher than average part time jobs within the city;
- (j) the City Council as an employer had previously adopted the principles of the Living Wage and its implementation in 2013; it had also recently backed the Living Wage campaign for the city.

The Board agreed –

- (l) that scrutiny members participate in community walkabouts, facilitated by Father Sam Philpott and other child poverty champions to better understand the lived experience of children and young people living in poverty across the city;

- (2) to undertake a co-operative review, as part of the budget scrutiny process, to analysis the impact of the budget setting decisions 2015/16 – 2018/19 on the efforts to address child poverty in the city.

55. **TRANSFORMATION ASSURANCE REPORT**

The Chief Executive (Tracey Lee), the Cabinet Member for Finance (Councillor Lowry), the Cabinet Member for Health and Adult Social Care (Ian Tuffin), the Interim Strategic Director for Transformation and Change (David Trussler), the Assistant Director for Finance (Malcolm Coe) and Alex Claybrook from Deloitte presented the report which highlighted the following key areas –

- (a) the council was facing significant financial challenges as its Government funding was being reduced, whilst demand on its key services was increasing and the cost of providing services, such as Adult Social Care was rising; following analysis of the council's financial position for the next three years it had projected a reduction in spending of £64.5m;
- (b) the council was committed to avoiding large scale cuts in services that would be required in order to deliver savings on this scale and had embarked on an ambitious, large-scale transformation programme, the aim being to reduce costs by fundamentally changing the way services were delivered rather than simply stopping services;
- (c) the savings would be derived from a series of outline business cases from the five transformation programmes -
 - Co-operative Centre of Operations (CCO)
 - Customer Service Transformation (CST)
 - Growth, Asset and Municipal Enterprise (GAME)
 - People and Organisational Development (POD)
 - Integrated Health and Wellbeing (IHWB)
- (d) the five transformation programmes planned to deliver £6.5m savings for the council in 2014/15; it would not be possible to deliver this scale of change as part of the council's day to day business and in addition, the scale and timescales required to implement the changes required skills and planning not previously deployed by the council;
- (e) the Transformation Portfolio Office has run from August 2013 to date; it was established to oversee the change and to transfer new and specialist skills to the rest of the organisation; the total investment for 2014/15 in skills and capacity was £5.3m;
- (f) due to the ambitious scale of the programme, the council

commissioned Deloitte to undertake an independent assurance of the transformation scope to assess whether it had been appropriately set up to deliver the programme plans;

- (g) the review had identified a number of strengths and advantages to the council's approach to transformation, which included –
- strong programme management capacity, capability and tools;
 - strong governance arrangements with project and programme boards;
 - provided focus and accountability;
 - provided expertise and subject matter knowledge;
- (h) a series of overarching recommendations for improvement had also been identified in three areas -
- business cases;
 - pace;
 - transfer of skills;
- (i) in addition a number of specific recommendations had been identified for each of the transformation programmes;
- (j) a presentation was provided on the transformation capability maturity model and improvement plan, which included -
- the journey so far;
 - what is a capability maturity model?
 - why develop our capabilities? OGC common causes of programme failure;
 - evidence statements;
 - the capabilities in the transformation capability maturity model;
 - how this model would be used to measure the maturing ability to deliver transformational change;
 - what capability maturity would look like by Spring 2015?

In response to questions raised by the Board, it was reported that –

- (k) following analysis of the information provided for the assurance report, none of the transformation programmes had been identified as being of concern;
- (l) a plan was currently being drafted which would provide details relating to the key dependencies and inter-dependencies of the transformation programmes;
- (m) residents would start to see fundamental changes to services with the delivery of the transformation programmes, such as the opening of the 1st stop shop, integrated health and social care, street

services, etc.

The Board agreed that –

- (1) the management actions contained in the report, are referred to the appropriate panels for inclusion in their work programmes;
- (2) it would monitor the overarching recommendations including the step down plan and engagement plan;
- (3) it will monitor the delivery against the planned improvements.

56. **CAPITAL AND REVENUE MONITORING REPORT 2014/15**

The Assistant Director for Finance (Malcolm Coe), the Cabinet Member for Finance (Councillor Lowry) and the Cabinet Member for Health and Adult Social Care presented the Capital and Revenue Monitoring report 2014/15 which highlighted the following key areas –

- (a) the estimated revenue overspend was £4.607m as at July 2014; the overall net spend equated to £209.387m against a budget of £204.680m which was a variance of 2.25 percent;
- (b) these figures needed to be taken within the context of setting £16m of management and net transformation savings in 2014/15; on the back of balancing the 2013/14 revenue budget where £17.8m of net revenue reductions were successfully delivered;
- (c) the key pressure points remained in Adult Social Care, where although client numbers were broadly in line with the set budget, the average cost per care package, per client was significantly higher (which reflected the more complex needs of clients that were being supported);
- (d) in addition the number of children within the council's care was approximately 40 more than the set budget which equated to a projected overspend of £1.45m; a thorough review of all high cost placements was being undertaken and a number of additional actions had been put in place to contain the spend on social care in the current year;
- (e) the projected council overspend had improved by £1.072m from the position reported at the end of May 2014;
- (f) the latest capital programme 2013/14 to 2016/17 stood at £207.670m which had been approved at Full Council on 24 February 2014 (including the Tamar Bridge and Torpoint Ferry at £7.445m);

- (g) following the approval of new schemes, re-profiling, variations and the inclusion of future years' Government grants and other identified income streams (such as increased developer contributions); the revised capital programme for 2013/14 to 2016/17 was £216.398m (an increase of £8.738m).

In response to questions raised by the Board, it was reported that –

- (h) following the completion of the high cost placements review, an analysis of the information would be undertaken to ensure that the service was being provided efficiently; once this work had been undertaken decisions could be made on whether further reductions in other service areas would be required;
- (i) the savings identified from the integrated health and adult social care of £1.6m by 2014/15 had been included in the overall figures;
- (j) the delay with the Energy from Waste (EfW) plant had caused a timing delay in the receipt of PFI credits; in addition, the procurement of Materials Recycling Facility (MRF) had resulted in net costs of £720,000;
- (k) an improvement in the overspend had been reported which was currently under £4m.

An undertaking was made to the Board that the prevention and intervention strategy would be provided to the Caring Plymouth Panel.

The Board was assured that following the completion of the review looking at all high cost placements it would be brought back to the Board for consideration together with the action plan.

(Councillor Michael Leaves declared a disclosable pecuniary interest in the above matter).

57. **ANNUAL SCRUTINY REPORT 2013/14**

The Chair wished to convey his thanks to the Democratic Support Officers, Lead Officers and Helen Wright for their work on the report. The Chair further advised that he would be commending the report to the next full council meeting on 24 November 2014.

The Board agreed its Annual Scrutiny Report (subject to amending the membership page).

58. **CALL-INS**

There were no call-ins to consider.

59. **URGENT EXECUTIVE DECISIONS**

There were no urgent executive decisions to consider.

60. **RECOMMENDATIONS**

The Board agreed that a joint co-operative review is undertaken by the Caring Plymouth Panel and the Ambitious Plymouth Panel in early November 2014 to consider the final business case for Integrated Health and Wellbeing prior to its submission to Cabinet on 11 November 2014.

61. **CO-OPERATIVE REVIEW(S)**

There were no Co-operative Reviews to consider.

62. **EXEMPT BUSINESS**

There were no items of exempt business.