



BUDGET SCRUTINY 2013 - 2014



PLYMOUTH
CITY COUNCIL

A report of the Overview and Scrutiny Management Board following the scrutiny of the Corporate Plan and Budget.

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THE OVERVIEW AND SCRUTINY MANAGEMENT BOARD



Councillor Mrs
Aspinall



Councillor Tuffin



Councillor Bowie



Councillor Bowyer



Councillor Casey



Councillor James



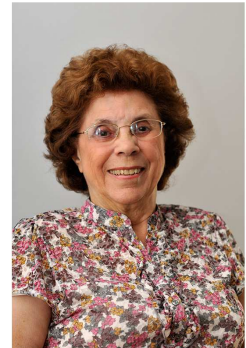
Councillor Gordon



Councillor Monahan



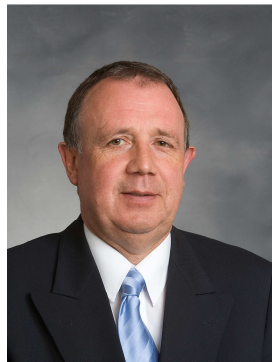
Councillor Murphy



Councillor Nelder



Councillor Nicholson



Councillor Wigans



David Parlby,
Chamber of Commerce

I. FOREWORD

- I.1 The Overview and Scrutiny Management Board (the Board), have responsibility for holding the Cabinet to account for its decisions. We are charged with scrutiny of the Council's decisions with respect to finance and performance, as well as the Council's key strategies and those of its partners.
- I.2 In this challenging financial climate, cuts to the Local Government Settlement and changes to the benefits system will impact on many of our citizens. The Overview and Scrutiny Management Board has a responsibility to ensure that the plans to address the gaps and balance the budget are robust and fit for purpose. In order to carry out our role effectively we planned our programme carefully to challenge whether –
- the city's and council's shared priorities were being effectively supported and resourced;
 - there is a clear understanding of the impact of the proposals for resource reduction and resource allocation on the city's neighbourhoods taking into account the views of people of Plymouth;
 - there is clarity around how changes in resource allocation in one service or partner area can impact on another service or partner area;
 - the balance between overhead costs and service delivery costs is the right one;
 - there is a clear view of both risks and their mitigation and the future opportunities that will derive from shared services and pooled resources;
 - assess the impact of legislation on our ability to deliver services and whether we are fit for purpose for addressing this challenge;
 - assess whether the corporate plan and budget encourage a sense of togetherness and ownership of council supported services, amenities and assets.
- I.3 Each year we strive to improve the budget scrutiny process and I am particularly proud of this year which has, without doubt been the best budget scrutiny yet! The whole event was webcast live onto the internet for the first time and saw almost 300 live views on the first day alone. The two way challenge with partners was a unique opportunity to gather City Leaders in this way and the fact that this session was webcast made the process even more open and transparent than ever before!
- I.4 I would like to thank the members of the Board for their commitment in conducting this scrutiny review. My thanks goes to David Parlby, Chief Executive of the Chamber of Commerce who sat on the Board as a co-opted representative and made an invaluable contribution. I would also like to thank the Chief Executive and the officers who supported us, the Leader, Cabinet Members, Directors and Assistant Directors who took part in the review. I would also like to express my appreciation for the valuable contribution made by colleagues from partner organisations. Last but not least, my thanks go to Giles Perritt my Lead Officer and to my Democratic Support team, whose passion for good scrutiny matches mine!

Councillor Mary Aspinall
Chair of the Overview and Scrutiny Management Board
Plymouth City Council

2. THE FORMAT OF THE EVENT

2.1 The scrutiny event took place over three days. The meetings were held in public and in line with the Council's commitment to open government and greater access to and involvement in the decision making process all three days were webcast.

2.2 During the three days, The Board heard from partner organisations, the Leader, Cabinet Members, Directors and senior officers, to consider an update to the Corporate Plan 2012 – 2015 and the Revenue and Capital Budgets 2013/14. As part of their consideration the Board received a number of documents which supported the scrutiny process, including –

- 2013/14 Indicative Budget (Revenue and Capital) allocated to corporate priorities;
- Draft Corporate Plan 2012-2015 Update;
- Plymouth (Interim) Report 2012
- 'Listening Plymouth' – Headline Results
- Stakeholder Consultation Results
- Partner Responses

3. SESSION I – THE PARTNERS

3.1 The first meeting was held on 9 January 2013 and was split into two sessions; the first session saw members probe the City Council and its strategic partners about their views on changes within the public sector, their plans and priorities and the impact that these plans would have on service provision across partner agencies.

3.2 During the first session the board heard statements from –

- The Leader of Plymouth City Council
- Devon and Cornwall Police
- NEW Devon NHS Clinical Commissioning Group Western Locality
- Plymouth Community Healthcare CIC
- Plymouth Hospitals NHS Trust
- Devon and Somerset Fire and Rescue Service Authority

3.3 **The Leader of Plymouth City Council** underlined the importance of a partnership approach to delivering city wide priorities. He stated that challenges included –

- The impact of the continuous economic downturn
- The broader impact of a growing elderly population
- The impact of welfare reform legislation
- The Government settlement for 2013/14 which resulted in a reduction in the Council's Budget of £17.8 million (representing a cut of £30 for each person in Plymouth)

3.3.1 The Leader assured the Board that despite the challenging circumstances, the City continued to focus on its priorities –

- Delivering growth
- Raising aspirations
- Reducing inequality
- Providing value for communities.

The recent launch of the 'Plan for Jobs' and the adoption of the Charter for Older People would support these citywide priorities.

3.3.2 The commitment to being a Co-operative Council had provided an opportunity to transform Council services and deliver an outward facing organisation.

3.4 **Devon and Cornwall Police** advised the Board that a Peninsula Strategic Assessment had been agreed through joined up working with all eight Community Safety Partnerships and identified priorities for the Force area which included domestic, family and sexual abuse, alcohol, violence and night time economy, anti-social behaviour and reoffending. They also reported that there had been a significant reduction in crime of 10 per cent with Plymouth being sixth best in its family group. The Police remained committed to its Force vision of being the best performing urban, rural and coastal force and also aligning its priorities to support the city in delivering the 2020 vision.

3.4.1 The Board were advised that challenges included the loss of 700 police officers and 500 police staff over a four year period as part of the Comprehensive Spending Review and the transition from Police Authority to an elected Police and Crime Commissioner.

3.4.2 Areas of concern and risk included -

- An 11 per cent increase in sexual offences which related to 30 reported incidents
- The impact of welfare reform legislation
- Gaps in mental health services/protocols
- Uncertainty around sexual assault referral centre funding
- Funding and capacity of domestic abuse services
- Alcohol strategy/plan
- The capacity of the voluntary and community sector

3.4.3 Examples of working with City Partner Organisations included –

- The new Devonport Hub, a Police Station which would not be used exclusively for policing services.
- Working to reduce demand on its resources by ensuring that issues were being signposted effectively to its partners for the appropriate services.

3.5 **NEW Devon NHS Clinical Commissioning Group Western Locality** advised the Board that it would be taking over some of the commissioning responsibilities from NHS Plymouth in respect of the city. Responsibilities of NHS Plymouth were currently allocated to a variety of different organisations such as Public Health England and the NHS Commissioning Board which made the financial position for both this year and next extremely complex. The organisation would be in designate form until 1 April 2013 when it would take over responsibility from NHS Plymouth.

- 3.5.1 The Clinical Commissioning Group covered a large area and had been split into three localities (Northern, Eastern and Western) which also broadly covered the three Acute Trusts. The Group had delegated responsibility for the development of strategies and services and working in partnership to deliver local needs as part of the Joint Strategic Needs Assessment down to the three localities.
- 3.5.2 The annual operating plan for 2013/14 was published on 19 December 2012. Currently detailed financial planning assumptions were uncertain however the NHS would receive an uplift of 2.3 per cent in 2013/14 which represented 0.3 per cent in real terms. The Clinical Commissioning Group had an allocation in excess of £1 billion which covered a population of 900,000 and had 300 GP practices, which provided a scale that could lead to change and achieve efficiencies but most importantly ensure that the localities recognised the need to have local partnerships and locally driven priorities.
- 3.6 **Plymouth Community Healthcare CIC** was one of the largest Community Health Social Enterprise organisations in the country and had been in operation for 16 months.
- 3.6.1 More emphasis had been placed on delivering services away from hospital settings, reducing the lengths of stay, ensuring that quality remained the focus on service delivery and the provision of comprehensive services over 24 hours, seven days a week. The organisation was one of the first to introduce 24 hour district nursing in the City.
- 3.6.2 Funding of the organisation was dependent on the Clinical Commissioning Group. However, there was an ongoing requirement for all NHS funded services to achieve an annual efficiency saving of 4 per cent.
- 3.6.3 A community development grant would be launched within the next few weeks which would provide an opportunity for organisations working alongside Plymouth Community Healthcare to bid for funding to help expand the services they provided.
- 3.6.4 One of the key success areas had been the crisis support service where the organisation worked with its partners in social care, the police and ambulance service to provide a response within two hours.
- 3.6.5 The organisation was a major employer in the City with a workforce of 2200. A commitment was in place to employ 48 additional healthcare visitors over the next two years.
- 3.6.6 As part of the workforce planning, the organisation was looking to reduce the levels of sickness and had set a target of 3.5 per cent which would be achieved over the next three years.
- 3.7 **Plymouth Hospitals NHS Trust** advised that the hospital had a major contribution in not only supporting the City but also ensuring that everyone using the service had a good experience. The Trust was of the view that although the partners' priorities were well aligned, there was a need to work together to target and deliver resources to those who were in the greatest need across the city and surrounding area.

3.7.1 Challenges for the Trust included –

- Safety issues
- Finance
- Performance
- Overall patient experience
- Defining a sustainable organisation
- Recruitment and retention of nursing staff

3.7.2 Work had been undertaken in-house and with partners around the development of a clinical strategy. It was anticipated that the strategy would be launched along with partners in March 2013. The strategy would also set out the ambitions of the Trust.

3.7.3 The Trust benefited from a dedicated and committed workforce and a prominent research and development agenda.

3.7.4 The Hospital –

- Had a budget of £400 million
- A workforce of over 5000 people
- Specialist commissioning (which was delivered on behalf of the Peninsula)
- Generated an income of £100 million
- Received £250 million from the Local Clinical Commissioning Group

3.7.5 The Trust was facing significant financial challenges with savings of £22 million being realised in 2012/13 and further savings of £27 million needed in 2013/14. In order to continue to deliver savings at this level, it was clear that further transformational change programmes would be required, as well as a review of a range of terms and conditions to ensure that the organisation had a pay structure fit for purpose.

3.8 **Devon and Somerset Fire and Rescue Service Authority** advised that at present no proposals had been agreed or publicised as the financial settlement for 2013/14 and 2014/15 had only been announced at the end of December 2012. The Government Grant had been reduced by 10.3 per cent in 2013 and a further 7.3 per cent in 2014 which represented a cut of £5.5 million. Members of the Authority would be considering the options at its meeting on 18 January 2013. A full public consultation would be undertaken prior to any decisions being made. A complete review of how services were delivered would be undertaken with a view to minimising the impact of any changes on public safety.

3.8.1 Whilst changes to service provision would have to be made, the Devon and Somerset Fire and Rescue Service guaranteed that it would continue to work closely with its partners and the Council to improve public safety, as had been the case over the past five years which had resulted in a significant reduction of 25 per cent in fire and road traffic related incidents in Plymouth.

4 CHALLENGE OF THE PARTNERS

4.1 Following the presentations by the partner organisations, Board members questioned the partners on the information that had been given and on their commitment to working with the Council to achieve the city priorities. Members raised concerns –

- 4.2 That there was not a more robust approach to partnership working on specific areas such as estate management, ICT shared services, investment in technology, creation of jobs and growth within the City and procurement of local services.
- 4.3 Relating to the level of sickness within Plymouth Hospitals NHS Trust and Plymouth Community Healthcare CIC and whether these levels had resulted in a reduction in service provision and overall efficiency.
- 4.4 Regarding the level of engagement of partnership working across all agency services and whether a protocol around a set agenda would encourage a more proactive approach.
- 4.5 Relating to the Devon and Cornwall Police's policy in reducing demand on its resources by ensuring that issues were being signposted effectively to its partners for the appropriate services and whether this policy would increase costs for partners.
- 4.6 Relating to the level of work being undertaken by the partners regarding the new welfare reforms.
- 4.7 Regarding the increase in sexual offences within the City; Devon and Cornwall Police advised that work was underway to establish whether or not the level of sexual offences had increased or whether the number of incidents reported had increased.
- 4.8 About the commitment of the partner organisations to working with the Council to improve public safety.
- 4.9 Overall the Overview and Scrutiny Management Board had concerns at the lack of evidence of a true sense of partnership working. It was apparent that the budget scrutiny session was probably one of the only opportunities for all partners to come together.

Recommendations	To	X Ref
Translate the commitment of the Plymouth Hospitals NHS Trust to supporting the economic growth agenda in the city to specific partnership plans encompassing issues such as recruitment, supply chain management, apprenticeships and commercialisation of research and development.	Plymouth Hospitals NHS Trust	R8
Commit to working with partners to ensure appropriate resources are in place to secure the future of the Sexual Assault Referral Centre in Plymouth, and of the city's domestic abuse services.	Devon and Cornwall Police	R9
Ensure that appropriate partnership protocols are in place to monitor and manage mental health provision in the city through the coming year.	Plymouth Community Healthcare CIC	R10
Engage with the City Council over estate management in the city.	Devon and Somerset Fire and Rescue Service Authority	R11

5 CORPORATE SERVICES DIRECTORATE

5.1 Session two saw the challenge of the Deputy Leader and Cabinet Member for Finance on the parts of their portfolio relevant to the Corporate Services Directorate. The Cabinet Members were supported by the Director for Corporate Services and the Assistant Directors for each department –

- Democracy and Governance
- Human Resources and Organisational Development
- Customer Services
- Finance, Efficiencies, Technology and Assets (FETA)
- Chief Executive's Unit

5.2 **The Deputy Leader** provided an overview of his portfolio (relevant to Corporate Services) and informed the Board that -

5.2.1 As a Co-operative Council greater emphasis would be placed on the role that Councillors could play in strengthening communities. Services would need to be organised around the needs of the customer and this would require significant investment in changing the workforce and the culture of the organisation.

5.2.2 An ambitious programme to transform customer services and technology within the Council had commenced. It included a review of how to better deliver services where and when people wanted them. Investment in the ICT infrastructure would enable the Council to deliver more services on line. The 'Listening Plymouth' resident survey had shown an appetite for services to be delivered on line. Improving the ICT infrastructure would also put the Council in a better position to look at shared services.

5.2.3 With the help of scrutiny, work was underway to explore the best way of protecting the future of libraries as community assets and providing more services locally through libraries.

5.2.4 The webcasting of the council meetings and other committee meetings provided greater access for the community to see the work of Councillors. This transparency was necessary to strengthen local democracy and hold the Council genuinely accountable for its actions, words and delivery.

5.2.5 Over the next year, customer focussed and driven plans to become a Co-operative Council with the community at the heart of what it did would be brought forward.

5.2.6 Performance had been maintained and staff engagement had held strong, despite the pressures of workforce reductions.

5.2.7 The Council had successfully set up the new Police and Crime Panel and the Health and Wellbeing Board which helped democratic representatives hold to account other public services.

5.2.8 The Civic Support Team had continued to deliver 'more with less' including its success with the National Armed Forces Day in June 2012 and the homecoming parade for 29 Commando in July 2012.

This experience would be used in working on the 100th anniversary of the outbreak of World War I in 2014 and the 70th anniversary of the end of the Battle of the Atlantic in 2013.

- 5.2.9 A key piece of work for Electoral Registration would be the introduction of individual electoral registration which would be a major change in the process of registration. It would require staff training and investment in the IT system to support the planning, testing and implementation by 2014.
- 5.2.10 The over-riding concern was the capacity of the workforce to deliver more. Senior Managers would be held to account for the effective management of the workforce. Better reporting to Cabinet for workforce information had been established and Cabinet Members would take an active role in improving performance, reducing sickness absence and ensuring that staff were well managed.
- 5.3 **The Cabinet Member for Finance** provided an overview of his portfolio (relevant to Corporate Services) and informed the Board that -
 - 5.3.1 The introduction of a monthly finance summary report had provided greater control on decision making. Portfolio Holders had been involved in the internal budget challenge sessions which had been held with the Cabinet Member for Finance and the Director for Corporate Services to look at budgets and savings plans.
 - 5.3.2 Local Government finance continued to fundamentally change with diminishing resources and the transfer of risk from Central Government to Local Government. The net revenue spend for 2013/14 would need to be reduced by £17.8 million.
 - 5.3.3 Fundamental changes in welfare reform would present challenges. Policies and procedures had been put in place to deal with the new council tax support scheme which would be implemented on 1 April 2013. The Council would use its discretionary powers to levy those most able to pay local taxes by increasing council tax on second homes, properties left vacant for long periods of time and homes that took developers longer than average to complete.
 - 5.3.4 Strategic procurement had made great progress in supporting local businesses. Work would continue to explore the potential pooling across Council departments and better collaboration with partners.
 - 5.3.5 With exceptionally low interest rates and through different borrowing and investment strategies, a contribution of £600,000 savings had been delivered. This was an on-going process with more opportunities in the pipeline.
 - 5.3.6 In 2012/13 the Council received a council tax freeze grant of £2.4 million, that funding would not be available in 2013/14. A 2 per cent council tax increase would be recommended for 2013/14 however this would still leave Plymouth with the lowest average council tax in the South West.

5.3.7 Despite the scale of the challenges, the Council was in a position to make decisions to proactively champion growth and the creation of jobs which was vital for the life and fortune of the City whilst protecting the most vulnerable.

6 CHALLENGE OF CORPORATE SERVICES

6.1 Following the presentations by the Cabinet Members, Board members questioned Cabinet Members and Senior Managers on the information that had been given and on other issues affecting the Directorate. The Key issues arising from the questioning session included -

6.1.1 The high levels of sickness within the Directorate and the commitment to reducing these levels. The Board acknowledged that measures had been put in place. However at present the measures had not proved to be sufficiently effective.

6.1.2 The financial cost to the Authority of sickness absence, agency spend and the impact that this had on the provision of Council services.

6.1.3 The level of engagement of staff within Customer Services, as detailed in the staff survey. The Board recognised that this service had been through a major transformation which could have affected the results.

6.1.4 The Council's response to flooding issues within the City and its work with partners to maximise funding to address these issues. Members considered that there were specific flood risk areas within the City and as such could be addressed by using limited resources.

6.1.5 The lack of Councillor representation on the Capital Programme Board.

6.1.6 The potential for the use of the authority's reserves to balance the 2012/13 budget. During the discussion the Board was advised that the Council had reserves of £11m (5.5 per cent) which was the unitary average and it was advisable to keep reserves at this level.

6.1.7 That the funding from the transformation budget would be used to invest in ICT systems within the Council.

6.1.8 The Council had agreed in principle to sign up with other local authorities within Devon to pool business rates (national non domestic rates); the Government had released further guidance in December 2012 and work was being undertaken to ensure that it was still beneficial to be in a pool.

6.1.9 A provision had been made in the 2013/14 budget for a pay award of 1.5 per cent (which formed part of the Council's commitment to pay a living wage).

6.1.10 The welfare reforms would place additional pressure on the Revenues and Benefits department however, the introduction of self service online, would free capacity within the department to deal with the increased demand.

During the session a commitment was made to review events that the Lord Mayor attended to align the role with the Destination Plymouth objective of promoting the City.

- 6.1.11 As part of the capital programme a sum of £168,000 had been set aside for the delivery of energy efficient projects such as installing solar panels on corporate buildings and boiler replacement.
- 6.1.12 There was no current information regarding the Government's settlement for young people in custody, who were looked after by the Council.

Recommendations	To	X Ref
Publish figures illustrating the impact of local procurement commitments on spend in the city and seek feedback from smaller businesses and the voluntary and community sector about their experience of doing business with the Council.	Department for Corporate Services	R12

7 THE OVERVIEW OF THE CORPORATE PLAN

- 7.1 The second meeting, held on 14 January 2013, was split into two sessions; the first saw members question the Leader of the Council and the Chief Executive on the delivery of the Corporate Plan.
- 7.2 **The Leader** advised the board that the principles of the Co-operative Council, pre decision scrutiny and the Corporate Plan refresh had been previously discussed with the Overview and Scrutiny Management Board. It was vitally important for the organisation to have appointed a new Chief Executive whose appointment had been agreed by both political parties. It was also very important to have a clear understanding of the Council's objectives, and to have a political direction for the organisation and the management of it.
- 7.3 **The Chief Executive** advised the Board that the fundamental reason for the existence of Plymouth City Council and its partner organisations was to improve outcomes for local people and that this should be the focus of all work undertaken.
- 7.3.1 The Corporate Plan update set out the most important issues that the Council planned to address and how it planned to become a brilliant Co-operative Council with less money. The Council would have to meet the major challenge of delivering services and achieving its goals under tight financial restraints. The role of the Chief Executive was to lead the Council on this journey.
- 7.3.2 There was a lot of work the Council needed to do, as an organisation to engage much better with communities, neighbourhoods and community interests to make sure that the Council was listening and took on board what was being said.

8 THE FIRST CHALLENGE OF THE CORPORATE PLAN

- 8.1 Following the presentations the Board members questioned the Leader and Chief Executive on the information that had been given. The key issues arising from the questioning session included -
- 8.1.1 The need to invite the University of Plymouth to budget scrutiny in future years. The Chief Executive assured the Board that there was an excellent working relationship that already existed between the Council and the University.

- 8.1.2 Whether it was achievable to create 42,000 jobs by 2026 (as stated in the Local Economic Strategy) in the current climate. The Board were assured that it was achievable and that the Leader would be pleased to keep scrutiny updated on the progress against achieving this target.
- 8.1.3 The importance of using the results of the staff and customer surveys.
- 8.1.4 The Chief Executive stated that a mature conversation was needed regarding what services the Council was no longer able to provide in order to balance the budget.

9 PEOPLE DIRECTORATE

9.1 Session two saw the challenge of the Cabinet Member and Adult Social Care and the Cabinet Member for Children and Young People on the parts of their portfolio relevant to the People Directorate. The Cabinet Members were supported by the Director for People and the Assistant Directors for each department –

- Children's Social Care (Assistant Director was not present)
- Joint Commissioning and Adult Social Care
- Learner and Family Support
- Homes and Communities
- Plymouth Life Centre and Leisure Management

9.2 The Cabinet Members were also joined by a representative of the Community and Voluntary Sector.

9.3 **The Cabinet Member for Public Health and Adult Social Care** advised that it was a transitional year for Adult Social Care and that with change and transition came risks not least the rising demographic trend for older people and the Council being asked to provide more with less funding. An on-going transformation programme for adult social care had already started in 2005 to look at ways of improving the delivery of its services.

9.4 **The Cabinet Member for Children and Young People** informed the Board that the services provided by Education and Learning, Family Support, Children's Social Care and the integrated Youth Service needed to be looked at as a whole; services were provided for young people and families across the city and supporting the needs of nearly 60,000 children and young people. Young people coming into care had increasingly complex needs and so the Council was proactively working with its partners, schools, health, police, voluntary and community sectors to manage the impact and to focus on the early intervention strategy which ran through all the services. Transforming the services would achieve a greater flexibility in meeting the needs of service users.

9.4.1 There were currently 365 children in care. The Education, Learning and Family Service championed educational excellence, vulnerable groups and parents and provided strategic planning by working with partners across the city. The service had over 200 statutory responsibilities.

9.5 **The Leader (representing the Cabinet Member for Cooperatives and Community Development)** informed the Board that the Police and Crime Panel had been established with the Council taking the lead on this work for the peninsula. A revision of the Community Safety Partnership was being undertaken and would focus on delivery. A review of spend on the voluntary and community sector was being carried out to better understand what services were available and how effective they were.

9.5.1 The intention was to build capacity in neighbourhoods and communities to enable residents to engage with the Council and influence decisions.

9.5.2 The homelessness team would need to look at increasing prevention work as homelessness was up 18 per cent on last year and there were bigger problems on the horizon with the introduction of universal credit and the welfare reforms having an effect on council tax benefits.

It was important to work with partners, the Citizens Advice Bureau and Credit Unions to form a major partnership and offer some protection and support for the most vulnerable in the our community.

- 9.5.3 Plymouth City Council was working together with Plymouth Community Homes to co-ordinate the regeneration programme at North Prospect. This was one of the largest regeneration programmes in the South of England. Work was also being undertaken on tackling poor quality and housing and help people to live in their homes where they choose.
- 9.6 **The Deputy Leader** informed the Board that the Leisure Management contract had an overall budget in 2012/13 of £3.372 million which would reduce in 2013/14 to £2.293 million. A significant proportion of the budget was used for the maintenance of the leisure estate including the Plymouth Life Centre. The leisure management contract with Everyone Active had delivered real savings against the cost of the service (which had previously been delivered by the Council).
- 9.7 **Community and Social Action Plymouth** advised that the sector was very vibrant and very active. The Community and Social Action Plymouth had 193 member organisations across the City and embraced all neighbourhood organisations. As a Guild it had expanded and was the lead organisation along with other partners for Community and Social Action Plymouth. During 2011/12 the volunteer centre had brokered 4000 opportunities over the city. The organisation was also running an apprenticeship programme and currently had 25 apprenticeships. Community and Social Action Plymouth was currently half way through a programme which ended in September 2013 which was utilising £300,000 of Cabinet Office funding which was aimed at modernising the sector and focused on CSR issues.
- 9.8 One of the issues that Community and Social Action Plymouth was currently facing was a reduction in funding it received from the Council and partners.

10 **CHALLENGE OF THE PEOPLE DIRECTORATE**

- 10.1 Following the presentations by the Cabinet Members, Board members questioned Cabinet Members and Senior Managers on the information that had been given and on other issues affecting the Directorate. The key issues arising from the questioning session included -
- 10.1.1 A variety of options for engaging communities were being explored. Neighbourhood meetings were one avenue which provided an opportunity for communities to shape decisions but it was hoped to find more options in the future.
- 10.1.2 A significant piece of analytic work had been undertaken to identify those people (including members of staff) that would be affected by the welfare reforms; the Council was also working in partnership with the Citizens' Advice Bureau and the Department of Work and Pensions; staff had also received additional training on welfare benefits.
- 10.1.3 The Council had committed to preventing homelessness and to help find homes for those in need; this issue would become even more important over the next 12 months due to welfare reforms.

- 10.1.4 Sickness levels were too high. However, detailed target plans had been put in place; each Assistant Director would be made accountable for improving sickness absence. If frontline staff were sick then cover needed to be provided, consequently that had an impact on the budget.
- 10.1.5 The Plymouth Plan was an ambitious exercise in participation; there were various ways of engaging people, such as using new media (QR codes, Facebook and Twitter) and also by using existing networks with the voluntary sector and the business community.
- 10.1.6 Written guidelines were in place, particularly for safeguarding; work was being carried out on the Rapid Response and Re-enablement Service which would include a mental health element; it was expected that this would be rolled out across the City in the new financial year.
- 10.1.7 The increase in need for school places for secondary schools would start to come on line in 2015 and would peak in 2018; the rise in the need for primary school places was currently coming on line.
- 10.1.8 As part of the Co-operative Council model, the Council would like to consult with communities on the provision of additional school places however, resources were limited and new investment in free schools was not under the control of the Authority.
- 10.1.9 Work was being undertaken in conjunction with the Place Directorate to identify Council assets with regard to assets of community value (which formed part of the Localism Act).
- 10.1.10 The Council had been allocated a budget for Public Health of £11.1 million for 2013/14 and £12.2 million in 2014/15 which was a slight increase in what had been expected; work had been carried out to establish the staff costs and the cost of existing contracts that would transfer to the Council; options were currently being explored to join up work and utilise public health staff in a number of areas both within the department and the Council.
- 10.1.11 A Health and Wellbeing Manager had been appointed by Everyone Active (contractor for leisure facilities within the City) who was working closely with the Council to identify options to improve access to the Life Centre for a whole range of people and to reduce the health inequalities across the City.
- 10.1.12 This had been a challenging year due in the main to the transition to the personalisation of Adult Social Care budgets.

A commitment was given to provide improved information in relation to adult social care to improve financial planning.

A commitment was given to provide the Board with the demographic data that had been produced in relation to the use of the Plymouth Life Centre.

Recommendations	To	X Ref
Plans for improving capacity in the community and voluntary sector are published, explicitly addressing concerns about leadership and sustainability across the sector.	Director for People	R13
The service plan for Public Health's first year as part of the Council is brought to the Management Board by the Director for Public Health, demonstrating how the transition will enhance city responses to health objectives.	Director for People	R14

11. PLACE DIRECTORATE

11.1 The third meeting was held on 16 January 2013 and saw the challenge of the Leader, Deputy Leader, Cabinet Member for Finance, Cabinet Member the Environment and the Cabinet Member for Transport. The Cabinet Members were supported by the Director for Place and Assistant Directors for each department -

- Planning
- Transport and Infrastructure
- Environmental Services
- Economic Development

11.2 **The Leader (Economic Development)** advised that job creation was the number one priority of the Council and work undertaken by the Economic Development department had experienced some degree of success in turning around the economic fortunes of the City.

11.2.1 There were currently 6100 unemployed people within the City and although this was slightly below the national figure of 3.5 per cent, unemployment was still too high.

11.2.2 The support provided by the Economic Development service had resulted in 426 job being safeguarded within companies including Plessey, Hymec and Kawasaki and the East End Scheme and the creation of new jobs which included –

- Wolf Mineral (230 jobs)
- Toshiba Factory Site (200 jobs)
- Plessey (150 jobs)
- Lifterz Cranes (10 jobs)
- Urban Enterprise (125 jobs)
- Theatre Royal (50 construction jobs)
- Plymouth City Council (59 apprenticeships)

11.2.3 The 1000 Club had been launched in September/October 2012 where companies had pledged to create 1000 jobs either full time, part time, graduate internships or apprenticeships. A total of 161 jobs had been created with further training places and internships being created.

11.2.4 The Plan for Jobs initiative had recently been launched in order to inject pace, urgency and focus into job creation within the City. The scheme would create 2300 jobs within the next 18 months to two years and in addition to that a pipeline of projects had been identified over the next five years that would deliver a further 4000 jobs in 40 projects.

11.2.5 Investment in the City included –

- £2.3 million of direct funding
- £13 million of indirect funding
- 24 major investment enquiries

11.2.6 Though the City estate (which was managed by the Council) an occupancy rate of 95 per cent had been achieved for its industrial units, which was one of the highest rates within the country. The Council would be looking to construct additional units to meet the current demand.

11.3 **Deputy Leader (Events, Culture, Heritage and Museums)** advised that in planning the budget for 2013 the Council had sought to give priority and focus to the following areas –

- Support the Culture Board in bidding for the City of Culture in 2017
- Develop a cultural roadmap towards Mayflower 2020 anniversary
- Work with the Arts Council and Heritage Lottery Fund to maximise investment into Plymouth

11.3.1 In driving the visitor economy there would be a major opportunity to enhance the city's visitor economy by integrating the Museum events programme and Mount Edgcumbe Country Park. The Council was also committed to working with Destination Plymouth to deliver the Visitor Plan and establish the city as the 'must do' visitor destination in the South West. The Council would also support -

- The appointment of a Chief Executive for Destination Plymouth
- The development of new signature events (History Month and Sailfest) and also expand the National Firework Championships
- The improvement of the city's visitor signage, tourist information and interpretation
- Working with major promoters to hold events in the city

11.3.2 A strategic review of the Arts and Heritage Service had been commissioned, in order to fully align the service behind the Visitor Plan and Economic Strategy. The Council would –

- Build upon the Major Partner Museum Programme status
- Develop new commercial income streams
- Support the History Centre

11.4 **Cabinet Member for Environment (Environmental Services)** advised that the department had been performing well across all its front line services which had been borne out in the Listening Plymouth resident survey (which included 99.9 per cent performance rate for refuse being collected on the right day and accolades awarded to Parks Services such as the Green Flag and Plymouth in Bloom).

11.4.1 Pressures on the service included –

- Landfill tax was set to increase by £8 per tonne each year until 2014 which added over £800,000 to the budget
- Due to an ageing frontline workforce this had impacted adversely on sickness levels (targeted action had been undertaken to reduce sickness and had achieved a 40 per cent improvement in 12 months).

11.4.2 Work had been undertaken to protect frontline services, which included –

- The successful roll out of the pilot glass collection scheme in September 2012 was diverting waste from landfill
- £980,000 had been invested in new minibuses and £1.7 million invested in plant and equipment
- A successful bid for £4 million of Government funding had been achieved to support glass recycling in the City

11.4.3 The Environmental Services department was proposing delivery plans that met the target budget for 2013/14 concentrated on maximising income opportunities, efficiency savings around the level of service provided and robustly tackling sickness.

11.5 **Cabinet Member for Transport (Transportation and Infrastructure)** advised that the department had taken responsibility in April 2012 for capital delivery, school crossing patrols and issued and monitored blue badges with a team of 155 full time employees. The department was also responsible for parking, maritime, network management, the Highways Maintenance Contract (Amey), sustainable transport and the capital strategy. Responsibility flooding had also been passed to the Local Authority in 2010.

11.5.1 Despite the challenges that the department had faced (a reduction in the revenue budget of £5 million and staffing costs £1 million). A number of positive outcomes had been achieved which included holding the first young person's travel summit, the scrutiny review of bus subsidies, the delivery of Laira Bridge improvements, the delivery of a number of cycle improvement schemes and lobbying for improved train services.

11.5.2 Work that had been undertaken within the department included –

- The launch of Plymotion which encouraged residents to look at different forms of travel
- Continuation of work to upgrade car parks
- Bus lane enforcement which had been endorsed by the bus companies, police, taxi trades, cyclists and disabled bus user groups
- Expansion of the Ring and Ride service in the north of the City

11.5.3 There were a number of risks to both the carriageways and pavements which were reaching a state of disrepair that would require significant capital investment to overcome defects. The recent bad weather had highlighted the fragility of the network. Development work continued on the Transport Asset Management Plan to look at the costs and options for the delivery of a long term solution to this particular problem.

11.5.4 There were a number of concerns which included –

- Concessionary bus fares and subsidised services
- The possible devolvement of the Bus Service Operator's Grant and fuel rebate
- Increase in energy costs (street lighting)

11.5.5 Following a range of work undertaken with officers and HR sickness levels had showed a downward trend of just over nine days per full time employee.

11.6 **Cabinet Member for Environment (Planning)** advised that over the past two years the department had reduced its expenditure on staffing by 22 per cent and further reductions in the structure would allow greater flexibility to deliver the city's priorities. The performance of the department had improved and a top ten place (nationally) had been achieved for the determination of major planning applications.

A commitment was given to provide a quarterly report on the progress on the Local Economic Strategy.

11.6.1 The department would be focusing on the following issues –

- Plymouth Plan
- Derriford Area Action Plan
- Community Infrastructure Levy
- Low carbon and strategic green spaces initiatives
- Plan for jobs
- Development of a more co-operative approach to the delivery of planning services

11.7 **Cabinet Member for Finance (Land and Property and Strategic Projects Service Priorities)** advised that a strategic service review would be undertaken which would enable the alignment of assets to the Council's growth agenda. The Council would –

- Participate in the Local Government Association's Capital and Assets Programme 'Growth Pathfinder'
- Use assets creatively to unlock jobs
- Rationalise the estate and drive forward capital receipts
- Ensure that the highest quality and fit for purpose accommodation was provided

11.7.1 Major development projects included –

- Plans for Derriford being brought forward for major new jobs and homes projects
- Supporting Urban Splash as the freeholder for the Royal William Yard
- New innovation green hub at Bickleigh Down

12 CHALLENGE OF THE PLACE DIRECTORATE

12.1 Following presentations by Cabinet Members, Board Members questioned the Cabinet Members and Senior Managers on the information that had been provided and on other issues affecting the directorate. The key issues arising from the questioning session included –

- 12.1.1 The proposal to create an Investment Fund which would finance projects such as the building of industrial units (the proposal to create the fund would be submitted to Cabinet in February 2013).
- 12.1.2 £2.4 million had been set aside within the budget to address any adverse increases in waste going to landfill.
- 12.1.3 The garden waste service would not be rolled out to the remaining areas of Plymouth (following the trial in the summer of 2012) as these areas had been identified as having small gardens/courtyards and therefore participation in the scheme would be limited.
- 12.1.4 The extent to which improvements had been made to the Council's procurement strategy.
- 12.1.5 Connectivity issues (both road and rail) remained a priority for the city and which was fully supported by the city's MPs (there had been a commitment by the Secretary of State to visit Plymouth).
- 12.1.6 Over £3 million would be spent in 2013/14 on the repairs to transport networks (both roads and pavements). A fundamental review would be undertaken to achieve a long term solution for the repair/maintenance of the network.
- 12.1.7 The Council had taken over responsibility for flood management issues in 2010.
- 12.1.8 There was no agency spend to cover sickness absence within the Transport and Infrastructure department.
- 12.1.9 There was no plan to introduce congestion charges within the city.
- 12.1.10 Since the introduction of the bus lane enforcement initiative in August 2012, income of £650,000 had been generated (this sum would remain in the transport and highways budget).
- 12.1.11 Ten sites (owned by the Council) had been identified across the City for the delivery of housing development schemes.

Recommendations	To	X Ref
Publish Digital Plymouth plan with milestones and targets for digital inclusion, and demonstrating partner buy-in.	Director for Place	R15
Firm plans are prepared showing how the city will address specific flood risks to the city where households have been flooded, and strategic transport infrastructure into the city has been affected.	Director for Place	R16

13. FINAL CHALLENGE OF THE OVERVIEW

- 13.1 Following the representations that the Board had heard from witnesses during the three day review, it put forward a series of wide ranging questions to challenge the Leader and the Chief Executive which included the following key areas –

- Job creation
- Preparation for welfare reform
- Partners' support for growth, employment, training and local procurement
- Targets and timescales for Staff Engagement Plans
- Digital Plymouth
- Sickness absence
- Living Wage
- Partners' estate strategies
- Replacement of the 2020 Board
- Flooding
- Member involvement in capital prioritisation
- Lack of attendance from Public Health representatives
- Council provision of services
- Cessation of the community and voluntary sector contract
- Availability of investment funding to assist growth
- Local procurement
- Performance targets

14 **RESPONSES FROM THE LEADER AND CHIEF EXECUTIVE**

14.1 The creation of jobs was the number priority of the Council and as such was included within the Corporate Plan.

14.2 The Council was working closely with its partners on both a national and a regional level on the implications of welfare reform.

14.3 The Council would continue to encourage its partners to remember their role within the local economy to support growth, employment, training and local procurement.

14.4 Staff engagement was included within each service's 12 month Service Plan and as such would be available to be scrutinised.

14.5 As the head of paid service, the Chief Executive had the accountable role in the delivery of robust and realistic sickness targets across all services.

14.7 The living wage was not just an aspiration of the Council but also for local businesses to adopt.

14.8 It was not currently a priority of the Council to undertake work to align estate strategies of its partners.

14.9 Work was currently being undertaken to develop the replacement of the 2020 Board and options would be brought forward in the spring of 2013.

A commitment was given to continue to raise the profile of Digital Plymouth by working with the Council's partners.

A commitment was given to look at Member involvement in the capital programme.

- 14.10 Flooding within the City was a priority for the Council and work would continue with its partners to seek long term solutions for these specific areas.
- 14.11 There was a role for Members to play in engaging with residents to ascertain what services provided by the Council were important to them.
- 14.12 The Board's disappointment would be conveyed to Public Health colleagues regarding their lack of attendance in the budget scrutiny process. Particularly given that the Public Health Development Unit would become part of the Council in the very near future and bring with it a budget in excess of £11 million.
- 14.13 A review of the Voluntary and Community Sector was currently being undertaken.
- 14.14 Proposals would be put forward in February 2013 for the creation of an Investment Fund for the Council.
- 14.15 A further commitment was given to provide the Overview and Scrutiny Management Board with a quarterly performance report detailing job creation statistics, RAG ratings and trends.

A commitment was given to publish statistics on the amount of money that the Council spent on local procurement.

Recommendations	To	X Ref
Ask strategic partners operating in the city to be explicit about their plans to support the city in its priority for economic growth and job creation.	The Leader	R1
Bring forward proposals for greater member involvement in capital prioritisation.	The Leader	R2
Consult with the Scrutiny Management Board prior to putting in place revised strategic partnership arrangements for the city.	The Chief Executive	R3
Discuss with the Scrutiny Management Board how scrutiny of future years' financial and service planning can be better undertaken to reflect the major challenges facing local government.	The Chief Executive	R4
Publish targets for sickness and absence management by service for the coming year and to develop tailor-made targets for individual departments.	The Chief Executive	R5
Ensure that plans to address staff engagement are prepared as part of the service planning process, include targets and timescales, and are available for scrutiny.	The Chief Executive	R6
Ensure that appropriate performance measures are in place for each service that support city priorities, and that Directors are held accountable for them.	The Chief Executive	R7

15 RECOMMENDATIONS

	Recommendation	To
R1	Ask strategic partners operating in the city to be explicit about their plans to support the city in its priority for economic growth and job creation.	Leader
R2	Bring forward proposals for greater member involvement in capital prioritisation.	Leader
R3	Consult with the Scrutiny Management Board prior to putting in place revised strategic partnership arrangements for the city.	Chief Executive
R4	Discuss with the Scrutiny Management Board how scrutiny of future years' financial and service planning can be better undertaken to reflect the major challenges facing local government.	Chief Executive
R5	Publish targets for sickness and absence management by service for the coming year and to develop tailor-made targets for individual department.	Chief Executive
R6	Ensure that plans to address staff engagement are prepared as part of the service planning process, include targets and timescales, and are available for scrutiny.	Chief Executive
R7	Ensure that appropriate performance measures are in place for each service that support city priorities, and that Directors are held accountable for them.	Chief Executive
R8	Translate the commitment of the Plymouth Hospitals NHS Trust to supporting the economic growth agenda in the city to specific partnership plans encompassing issues such as recruitment, supply chain management, apprenticeships and commercialisation of research and development.	Plymouth Hospitals NHS Trust
R9	Commit to working with partners to ensure appropriate resources are in place to secure the future of the Sexual Assault Referral Centre in Plymouth, and of the city's domestic abuse services.	Devon and Cornwall Police
R10	Publish figures illustrating the impact of local procurement commitments on spend in the city and seek feedback from smaller businesses and the voluntary and community sector about their experience of doing business with the Council.	Plymouth Community Healthcare
R11	Engage with the City Council over estate management in the city.	Devon and Somerset Fire and Rescue Service
R12	Publish figures illustrating the impact of local procurement commitments on spend in the city.	Corporate Services

	Recommendation	To
R13	Plans for improving capacity in the community and voluntary sector are published, explicitly addressing concerns about leadership and sustainability across the sector.	Director for People
R14	The service plan for Public Health's first year as part of the Council is brought to the Management Board by the Director for Public Health, demonstrating how the transition will enhance city responses to health objectives.	Director for People
R15	Firm plans are prepared showing how the city will address specific flood risks to the city where households have been flooded, and strategic transport infrastructure into the city has been affected.	Director for Place
R16	Publish Digital Plymouth plan with milestones and targets for digital inclusion, and demonstrating partner buy-in.	Director for Place

APPENDIX I - THANK YOU

Partners

- The Assistant Chief Constable – Local Policing and Partnerships (Devon and Cornwall Police)
- Chief Superintendent (Plymouth) (Devon and Cornwall Police)
- Superintendent (Devon and Cornwall Police)
- Locality Managing Director for NEW Devon NHS Clinical Commissioning Group Western Locality
- Head of Commissioning (Planned, Primary and Community Service (Designate)(NEW Devon NHS Clinical Commissioning Group Western Locality
- Chief Executive of Plymouth Community Healthcare CIC
- Director of Finance (Plymouth Community Healthcare CIC)
- Chief Executive of Plymouth Hospitals NHS Trust
- Director of Finance (Plymouth Hospitals NHS Trust)
- Vice Chair of the Devon and Somerset Fire and Rescue Service Authority
- Assistant Chief Fire Officer (Devon and Somerset Fire and Rescue Service Authority)
- Area Commander (Devon and Somerset Fire and Rescue Service Authority)
- Community and Social Action Plymouth

Plymouth City Council

- The Leader
- Chief Executive
- Deputy Leader
- Cabinet Member for Finance
- Cabinet Member for Public Health and Adult Social Care
- Cabinet Member for Children and Young People
- Cabinet Member for Environment
- Cabinet Member for Cooperatives and Community Development
- Cabinet Member for Transport

Corporate Services

- Director for Corporate Services
- Assistant Director for Customer Services
- Assistant Director for Finance, Efficiencies, Technology and Assets
- Assistant Director for HR and Organisational Development
- Assistant Director for Democracy and Governance
- Programme Director for ICT Shared Services
- Head of Communications
- Policy, Performance and Partnership Manager

People

- Director for People
- Assistant Director for Homes and Communities
- Assistant Director for Joint Commissioning and Adult Social Care
- Assistant Director for Education, Learning and Family Support
- Assistant Director for Children's Social Care
- Programmes Director
- Group Accountant

Place

- Director for Place
- Assistant Director for Planning Services
- Assistant Director for Transport and Infrastructure
- Assistant Director for Economic Development
- Assistant Director for Environmental Services

Support for the Overview and Scrutiny Management Board

- Giles Perritt, Head Policy, Performance and Partnerships
- Gemma Pearce, Team Leader (Democratic Support)
- Helen Wright, Democratic Support Officer
- David Northey, Head of Finance
- Lucy Davis, Policy and Business Planning Officer
- Pete Aley, Head of Safer Communities
- Dave Saunders, Head of Customer Services
- Debbie Butcher, Head of Commissioning
- Darrin Halifax, Community Cohesion Officer