

BRIGHTON & HOVE CITY COUNCIL

SCRUTINY PANEL ON THE SOCIETAL IMPACT OF THE IN-YEAR GRANT REDUCTIONS

2.30pm 29 OCTOBER 2010

COMMITTEE ROOM 1, HOVE TOWN HALL

MINUTES

Present: Councillor Watkins (Chairman) Councillors Mitchell and Wakefield-Jarrett

PART ONE

1. PROCEDURAL BUSINESS

1. Declarations of Substitutes

Substitutes are not allowed on Scrutiny Panels or Select Committees.

2. Declarations of Interests

There were none

3. Declaration of Party Whip

There were none.

4. Exclusion of Press and Public

In accordance with section 100A(4) of the Local Government Act 1972, it was considered whether the press and public should be excluded from the meeting during the consideration of any items contained in the agenda, having regard to the nature of the business to be transacted and the nature of the proceedings and the likelihood as to whether, if members of the press and public were present, there would be disclosure to them of confidential or exempt information as defined in section 100I (1) of the said Act.

RESOLVED: That the press and public be not excluded from the meeting.

2. CHAIRMAN'S COMMUNICATIONS

2.1 The Chairman reminded the meeting that anyone could give information to the Panel in private session if they wished, or to an individual member of the Panel in the presence of a scrutiny officer.

2.2 The Panel comprised Councillors Watkins (Chair) Mitchell and Wakefield-Jarrett; a fourth Panel Member was not taking part in the scrutiny review.

3. TO NOTE INFORMATION PROVIDED TO PANEL SCOPING MEETING

3.1 The Panel noted the information set out for the scoping meeting.

4. FINANCIAL CONTEXT OF THE SCRUTINY REVIEW

4.1 The Acting Assistant Director – Financial Services tabled a detailed timeline of significant officer-arranged meetings between the initial announcement of the in-year grant reductions and the 22 July Cabinet report. Other meetings would have taken place but senior officers had now left the Council so these were difficult to specify. When the initial announcements were made there would have been discussions with partners including the Community and Voluntary Sector Forum , Head Teachers, Police, Heath and Transport.

4.2 It would not have been possible in early June to ascertain the possible impact of the unexpected cuts. The Sussex Safer Roads Partnership information (Item 8) gives one example of how reductions were dealt with.

4.3 The Panel noted that the in-year reductions were unprecedented. Decisions were made quickly in response to the grant losses to minimise their impact, this created complications particularly where partners were involved.

4.4 Members asked about the process for assessing risks and how societal impacts could have been understood as the process went ahead. Also, because of the pressure of circumstances, to what extent the reductions were absorbed within internal Council budgets.

4.5 The Acting Assistant Director – Financial Services pointed out that the circumstances would have been different in different service areas; some reductions would have had direct impact on services. Some of the grant funding was paid direct to partners and in other areas the Council receives the funding and passes it on. Even after 2 months it was still difficult to analyse what impact the reductions would have.

4.6 Most of the grant reductions were direct to the Local Authority but they would have had implications for services provided by other bodies. Some small funding changes would have large impacts.

4.7 Regarding the preparatory work done prior to 22 July, the Acting Assistant Director – Financial Services said that technical officers who had the discussions in their own service areas would be better placed to comment.

4.8 The Chairman said it was important for officers and Members to understand the basis of how the decisions were made, in dealing with any similar circumstances in future.

4.9 The Acting Assistant Director – Financial Services emphasised that the implications of some grant reductions were clearer than others, in that they applied to a single specific scheme or were already scheduled to be discontinued. Others had far more issues to be resolved; for instance involving employment or service contracts and having wider repercussions on services elsewhere.

4.10 The CEO, Community and Voluntary Sector Forum (CVSF) gave the example of Connexions, stating that there had been no formal opportunity for partners to put forward their views on the impact of cuts. Information that Connexions was 'at risk' had been shared. However ideally there should have been more transparency than there had been time to achieve, she said.

4.11 The CEO CVSF told the Panel that officers were struggling to find information on the outcomes of Connexions. She stressed that this information was important in order to be able to compare and contrast whether a service could or could not be cut.

4.12 Replying to a question from the Chairman on the lead-in time for decision-making the Acting Assistant Director – Financial Services said that time was of the essence; the longer the time taken to decide, the deeper the reductions needed. The Council had decided to make reductions in line with Government announcements.

4.13 A Panel Member suggested there would have been political direction and an early political steer would have impacted on the outcomes. A choice could have been made between accepting the cuts in the service departments or alternatively releasing contingency funds and allowing more time to better understand potential impacts, to take through to the annual budget-setting process.

4.14 The Panel queried the checks and balances that were in place to make such assessments, in the context of the current changes in the officer structure of the Council, the move to Intelligent Commissioning and May 2011 local elections.

4.15 The Acting Assistant Director – Financial Services tabled an example of the information provided to decision-makers during the period following the in-year reductions announcements. He told the Panel that following the Comprehensive Spending Review, grants cuts were not expected to happen again to the same extent. The existing number of grants - around 120 at present – are to be greatly reduced and many merged and incorporated into the general Formula Grant. Funding decisions would therefore be simpler where the grants remain ring-fenced; where grant funds are merged, there will be more local choice and flexibility and a wider debate on funding options.

5. REPORTS TO OVERVIEW AND SCRUTINY COMMITTEES AND EXTRACTS FROM THE DRAFT MINUTES

5.1 The Head of Housing Strategy and Development referred to the report to ASCHOSC on the £164,000 Supporting People Administration grant cut which he said had been absorbed within the programme as a whole. An Equalities Impact Assessment had been carried out. The Supporting People Programme itself was to continue.

5.2 Asked whether the administration element would need to be re-visited in the future the Head of Housing Strategy and Development replied that services for vulnerable people would be monitored with Partners including in health, social care and crime and disorder. An overall benefit of £3.24 had been identified for every £1 spent on Supporting People services locally.

5.3 The Head of Sport and Leisure introduced the report on free swimming and said the two-year grant was aimed at increasing sports participation prior to the London Olympics. The scheme was always intended to end in March 2011. A key health objective for NHS Brighton & Hove is a reduction in childhood obesity and therefore they supported the initiative. There was strong partnership working in this area and with continued funding from NHS Brighton & Hove the initiative continued over the summer holidays and was extended for the under-11s until 31 March 2011. Figures showed significant increases in the number of swims by those aged 16

and under and aged 60 and over, compared to before the initiative started. An Equalities Impact Assessment had been carried out.

5.4 He said it was hoped that despite a reduction in the opportunities to swim free of charge, that more people would have developed a swimming 'habit.' There were discussions about the possibility of a leisure card scheme or continuing the initiative in some form after March 2011.

5.5 He stated that a capital grant had enabled excellent new changing facilities at St Lukes Community Pool.

5.6 The Panel commented that the existing strong joint working with the Primary Care Trust had enabled the swimming grant cut to be offset to some degree. There was a question whether working with groups of GPs in place of the PCT in future, could cause difficulty in reaching joint funding agreements.

6. DISCUSSION WITH CHAIRMAN OF BRIGHTON & HOVE COMMUNITY AND VOLUNTARY SECTOR FORUM

6.1 The Chief Executive Officer of the CVSF tabled a paper replying to the main areas of the scrutiny panel questions plus a position statement on public spending cuts following consultation with CVSF member organisations. CVSF had a limited role but there were areas where the Forum could help in working with the Local Authority and intelligent commissioning and help contribute to robust decision-making. The experience for CVSF regarding the in-year reductions related mostly to Connexions for which there had been a £500,000 reduction.

6.2 Main points made by the CEO, CVSF were;

- It is possible to assess a service in advance of a change even when there is a tight timescale.
- This information needed to be reviewed fully before taking a decision. In the case of Connexions there was not enough information to hand on outputs or outcomes.
- It is feasible to seek feedback from service users.
- Services can be prioritised according to whether or not they are statutory requirements or deliver a priority within the Sustainable Community Strategy.
- Equalities impact assessments are key to enable the voice of vulnerable people to be heard, as those people can tend to be most affected by cuts.

6.3 Asked where the relevant information would be held, the CEO said she had been surprised that relevant information was not available to council officers on what was being delivered for the money spent. She was disappointed by the information she found including within voluntary organisations; she argued that this was an area of challenge for all organisations.

6.4 The Panel commented that Local Strategic Partnership indicators such as numbers not in education employment or training (NEETs) and teenage pregnancies would indicate that Connexions was having a positive effect. Needs assessments and monitoring outcomes had to be done better in future, to improve services and resilience to future budget changes.

6.5 Answering a query if CVSF and volunteers were pressurised to cover service areas that had formerly been officer-led, the CEO told the Panel that there had been no formal contact about services relating to Connexions other than contracted organisations should continue business as usual. There had been no discussion around how Connexions or similar services will be adapted to accommodate changing needs or to respond to a likely scenario of increasing needs. Large companies had contracts in this area and the expectation was that smaller organisations would step in, though there was no evidence to show this.

6.6 Changes to this service would impact on young people and the long-term future of the service and it was important not to lose experience in this area. There had been no opportunity to have a dialogue, she said.

6.7 The CEO, CVSF said that cuts could have a disproportionate effect on organisations in the voluntary sector; unless there is adequate formal communication, future plans could not be properly made.

6.8 There was a suggestion that potential impact of a cut should be assessed to give a fuller picture and more robust decision. Cuts might otherwise be perceived as slicing where it seemed easiest.

6.9 The Chair questioned the strength of the Council's overall partnership working process in terms of dialogue and joint decision-making. He referred to evidence given the Autism Scrutiny Panel, of which he was a member, on the role of Connexions in transition from Childrens' to Adults' services. (Autism Panel extract)

6.10 The Chairman remarked that if there is a lack of information on the outcome of services, in cases where funding ring-fence may be removed in future, the local authority will have more flexibility but it would be more difficult to see the basis of decisions.

6.11 The CEO CVSF ended by stating that the In-year cuts provided great opportunities for transparency and new levels of working together. The Voluntary sector could help by investigating the cost of services and could also lever in additional funds. She was of the strong view that there is massive potential in closer joint working, that could easily be tapped.

6.12 The CEO CVSF was asked how to avoid unnecessary alarm when there were countless options in making cuts. In reply she gave the view that it had to be agreed at the start what outcomes were needed – what services had to be protected. When that agreement was in place, openness and early and wide engagement on potential changes would help to reduce damaging speculation.

6.13 A Panel Member remarked that some voluntary organisations seemed to have been given misleading information on different occasions about whether or not the Youth Capital Fund was continuing.

6.14 Asked about the current membership and joint working within the CVSF itself, the CEO said in a difficult economic climate, timely partnerships were being encouraged within the sector. However it could be difficult to facilitate organisations joining together and some of those who do not back this approach could face difficulties. Housing and Youth Services were examples. Small grants could still do much to protect some areas that were most at risk.

6.15 It was especially important to maintain good levels of communications during difficult economic conditions and to understand a changing model of partnership working. This approach would underpin intelligent commissioning.

6.16 CEO CVSF said she welcomed the 19 October Overview and Scrutiny Commission decision to co-opt a member of the CVSF for the purposes of scrutiny of the 2011-2012 budget proposals.

7. EQUALITY IMPACT ASSESSMENT; SCHOOL IMPROVEMENT

7.1 The Panel asked that Officers attend a future panel meeting to present the Equalities Impact Assessment of School Improvement.

7.2 Members also asked to see EIAs relating to the in-year grant reductions. For example, 'dropped kerbs' in the LTP Capital programme 2010 – 2011 Rolling Programme of working on walking facilities.

8. UPDATE ON SUSSEX SAFER ROADS PARTNERSHIP (SSRP)

8.1 The Panel asked that Officers attend a future panel meeting to present the Update on Sussex Safer Roads Partnership.

9. HOUSING AND PLANNING DELIVERY GRANT

9.1 The Head of Planning Strategy said that this grant varied from year to year. It had originally been performance-related and based on variable measures. Initially the emphasis was on encouraging prompt development control decisions, and more recently on streamlining plan-making and housing delivery. The grant 2010 – 2011 was to be spent primarily on IT systems to ensure planning processes ran smoothly, helping to improve performance on planning applications and reducing paper handling.

9.2 Latterly grant amounts had become less predictable and the announcements made later (well into the financial year of the settlement) and had already been identified as at risk. Adjustments had been made to reduce reliance on the grant for core activities and ensure permanent posts were incorporated into the core planning budget.

10. PLAYBUILDER

10.1 The Head of Financial Services (Corporate and Environment) said there had been a revised allocation to be presented in the next TBM report. Members referred to the original decision involving 22 Playbuilder sites agreed by 23 April Cabinet and asked what had been the basis for deciding on which 11 of the 22 could go ahead. It was suggested that the process for finding a capital shortfall could be an area of learning,

10.2 The CEO CVSF acknowledged that Playbuilder sites were a difficult choice. The CVSF was in a good position to help facilitate discussions through informal networks; for instance in these circumstances though 'Friends of Parks' groups.

11. DATE OF FUTURE MEETING

11.1 An informal meeting would be held on 4th November at 2pm.

11.2 Meeting in public on Tuesday 23rd November at 2.30 in the HTH Council Chamber

The meeting concluded at 4.30pm

Signed

Chair

Dated this

day of