

**MINUTES OF THE MEETING OF THE OVERVIEW & SCRUTINY COMMITTEE
BUDGET MEETING
HELD ON THURSDAY, 30 JANUARY 2014**

COUNCILLORS

PRESENT Alev Cazimoglu, Michael Rye OBE, George Savva MBE, Rohini Simbodyal, Toby Simon, Alan Sitkin and Edward Smith

ABSENT

OFFICERS: Rob Leak, James Rolfe, Ian Davis, Andrew Fraser, Neil Rousell, Ray James, Mike Ahuja, Jane Juby

Also Attending: Cllr Taylor, Cllr Georgiou, Cllr Orhan, Cllr McGowan, Cllr Bond, Cllr Goddard, Cllr Oykenner, Cllr Stafford

13 members of the public

Cllrs E and R Hayward, Cllr Lavender, Cllr Robinson

700

WELCOME & APOLOGIES FOR ABSENCE

Attendees were welcomed to the meeting. Apologies for lateness were received from Cllrs Rye and Simbodyal.

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DECLARATIONS OF INTEREST

No declarations of interest were received.

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LONDON BOROUGH OF ENFIELD BUDGET CONSULTATION 2014/15

- 1. Welcome & Introduction by the Committee Chairman**
Members, Officers and the public were welcomed to the meeting.
- 2. Introduction to Consultation Paper and Update on Resources and the Council's Options**

James Rolfe, Director of Finance, Resources and Customer Services, gave a presentation the main points of which were as follows:

- There had been a required 27% cash reduction in Council funding over the 4 years 2010-2014.
- Since then the position had been updated to take account of the Chancellor's 2013 budget (further 2% cut in 2014/15), the

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Government 2013 spending round (an 8% cut in 2015/16), inflation and interest rates, demographic pressures and the impact of Welfare Reform on temporary housing (a clearer picture on this was now available since the introduction of the Benefit cap).

- The latest funding gap for the years 2014/15 to 2017/18 is £66m, although figures were indicative only for the last two years of this period.
- Savings of £10.968m were therefore required for 2014/15.
- The primary pressure on the Council's budget was the reduction in Government funding.
- However, other pressures such as inflation, demographics and capital finance also needed to be considered.
- A rising level of savings would be required to meet the gap in funding over the next four years.
- An increase in Council Tax had been accounted for in the Medium Term Financial Plan, however, this was for planning purposes and would always be subject to Member agreement.
- This year's Consultation aimed to build upon previous successful budgets by again seeking residents' views on their service priorities and by acting on feedback ('you said, we did').
- 214 responses had been received so far, with 166 members of the public attending consultation meetings.
- A Budget Progress report had been taken to Cabinet in November, and the Consultation was also launched in the same month. A leaflet and questionnaire had been sent to all households in the Our Enfield magazine. The consultation and questionnaire was also available online and had been taken to all Scrutiny Panels and Area Forums.
- Residents had been asked to comment on the savings proposals outlined in the Consultation paper, to rank their service priorities and to make suggestions for further savings and efficiencies.
- Comments received so far included prosecuting more flytippers, using energy saving lighting, keeping services in-house, improving recycling levels and maintaining levels of expenditure on Parks.
- Top service priorities continued to be road maintenance, waste collection and adult social care. Leisure and parks had risen in importance since the last consultation; libraries and museums had declined in importance.
- Suggestions for further savings had included pooling resources, merging services, increasing volunteering, reducing hedge cutting and reviewing dropped kerb/crossovers.
- A minimum of £13m balance had been recommended for the General Fund in 2013/14.
- Total earmarked reserves were £87m as at 31 March 2013.
- The Financial Resilience Report confirmed that the Council has an appropriate level of reserves for the risks it faces.
- In summary, the economic climate remained uncertain, a budget gap remained for future years which would require significant

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further savings and the budget proposals for 2014/15 allowed for a freeze in Council Tax.

The following questions were then taken:

Q: The voluntary sector has been given a consistently low rating of importance by residents in the Consultation; however, volunteers help to deliver a number of key services. Do you think there is a lack of awareness and understanding of this?

A: There may well be a limited understanding of what volunteers do and how they help deliver services; the rating may also be impacted by the importance of other things like road maintenance. People often vote for what they can actually see around them; a lot of what volunteers do is hidden from most people. It may be worth considering how we might raise the profile of volunteering in the Borough.

Q: I found some of the descriptions of the savings proposals on page 6 difficult to interrogate, and potentially too broad for the public to understand. As a Councillor, it was difficult for me to make judgements on the acceptability of proposals without certain details. Did you receive any requests for clarification from residents?

A: No, we didn't receive any comments of that kind; perhaps because the information was most often presented at meetings where officers were available to answer any questions.

Cllr Simon commented that the point was a fair one, the Council should always endeavour to be reasonably transparent and use 'plain English' when describing savings proposals in the Consultation.

3. Consideration of Further Savings Proposals from the Consultation Paper

Cllr Simon invited Councillors and Officers to comment on the savings proposals as follows:

Sustainability and the Living Environment

Cllr Sitkin and Cllr Bond echoed Cllr Cazimoglu's comments on the importance of volunteers in delivering services. It had also been noted that a resident wished to see a reduction in hedge cutting.

The following questions were then taken:

Q: The Conservative Group's main concerns are around road and pavement maintenance. We are concerned that there has been a deterioration in the level of maintenance and the increased use of asphalt.

A: £8m has been spent over the last 2 years on road maintenance, and we expect that level to remain the same. Asphalt has not been

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put in place everywhere, however, we have to consider the higher costs of constantly replacing paving where vehicles have driven over it and cracked it, asphalt is cheaper in this regard and, in these financially challenging times, we have to bear this in mind.

Q: Why not consider the use of other alternatives to preventing vehicles mounting the pavement, like bollards or raising the kerb level?

A: There is a balance to be struck, if we raise kerb levels then that potentially makes it more difficult for people to cross. We have to consider each situation individually. The use of asphalt will remain, however, the long term solution.

Q: How much is the installation of extra road calming measures costing and how much will it cost in the future?

A: The Council spent £2.2m on road calming last year. Safety is an important issue, especially around schools.

Q: Have you got any statistics on injuries caused by speeding to evidence each case of road calming?

A: Yes, we do have such evidence, although in some cases road calming has been installed as a preventative measure.

Q: Will the ERPF continue?

A: This will need to be considered as part of the final Budget setting process; however, we are reasonably positive that it will continue in some form.

Q: The £2.2m spend on road calming mentioned previously (presumably received from the GLA); is this included in the £8.8m spend figure you mentioned?

A: No, it is in addition to this. Also to note, residents are always consulted on road calming measures and, as a result, the areas in which it is implemented are often reduced.

Crime & Safety & Strong Communities

Cllr Rye commented that the Panel was concerned that there was a correlation between trimming and dimming of street lighting and incidents of burglary. The apparent reduced standard of lighting had also affected perceptions of safety.

Officers responded that they were not aware of a correlation but the matter was being monitored. A report was due to be taken to the next Crime & Safety and Strong Communities Panel meeting.

Finance, Resources & Customer Services

James Rolfe commented that the saving on the renegotiation of the insurance services contract had now been achieved.

Older People & Vulnerable Adults

Cllr Savva thanked all Panel members for their contribution. He commented that the Panel would continue to ensure the best possible services were delivered in the light of the financial challenges ahead and that vulnerable people continued to have a voice, preserved their independence and were kept safe.

Adult Social Care

Cllr Rye commented that he sought reassurance on a number of issues. Members of the public also asked for reassurance on certain issues; these were:

- That the renegotiation of social care contracts at lower prices did not lead to a reduction in quality;
- That Day Care and Respite Care provision continued to function;
- That people contracted to provide care services, as well as Council employees, were receiving the London Living Wage.

Cllr McGowan responded that Quality Checkers continued to help monitor standards of care in the Borough. The Council's measurement of success in providing adult social care was that it had managed to absorb an increasing demographic demand and at the same time continue to provide good quality services with a high satisfaction rating. The importance of day and respite care was recognised.

Ray James added that although he could not give absolute assurances regarding service provision, he was satisfied that the approach being taken continued to be proportionate and appropriately manage risk.

In respect of the renegotiation of contracts, he commented that lower prices had been achieved partly through market forces and partly through employing certain procurement practices; at no point had quality been compromised.

He also added that the New Care Bill would change eligibility criteria and that the 'look' of day care was also changing as people expressed a wish for more choices.

In respect of the issue of the London Living Wage for contracted employees, Ray James commented that this was always requested, and a cost comparison was provided for Members to consider and decide upon.

He then commented that the Quality Checker scheme had been particularly successful since, as local people, they appeared less 'bureaucratic' than Council staff and residents felt they could discuss

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personal issues more readily with them. There had been a 38% increase in safeguarding incidents this year.

Cllr Smith asked if the locality of the care provider contracted was also considered.

Ray James responded that this was, in the majority of cases, the situation, since people often wished, when being cared for away from home, to be near to family and friends which meant the provider was local. In the case of domiciliary care, the Council required that any contractor have an Enfield office.

A Councillor then asked if the Quality Checkers were effectively replacing the Quality Assurance officers?

Ray James confirmed that these were an additional resource, however, staff were not being increased in line with demand but were targeted to areas of most concern. The Quality Checker scheme was being looked at by a number of other local authorities nationally as an example of good practice.

In respect of the savings proposal 'reduction in employee budgets', it was asked to which these referred.

Ray James confirmed these were targeted at central and back office staff.

Health

Cllr Cazimoglu commented that the Health & Wellbeing Scrutiny Panel had concerns about the provision of primary care, emergency care and cuts across the board which would impact on health outcomes in the Borough generally.

Of particular concern was the Public Health allocation; the Health & Wellbeing Scrutiny Panel felt that Enfield was underfunded in comparison with more affluent boroughs. Cllr Cazimoglu commented that the Minister for Health had promised to look at the formula for Public Health budget allocation, but had broken this promise.

The Panel had expressed significant concerns about health providers continuing to meet statutory responsibilities and address health inequalities in the Borough. Also, the Panel were concerned at the knock on effect on, for example, social care services and consequently, the Council's budget if health services were not as they should be.

Ray James acknowledged this as a risk but said that the Council worked to mitigate this with NHS colleagues.

The following questions were then taken:

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Q: Are we having to absorb costs associated with Council schemes to develop premises for primary care?

A: They are cost neutral to the Council.

Q: How much of the Public Health budget is spent directly on healthcare?

A: Actually, quite a small proportion is spent directly on health services which tend to be statutory ones such as sexual health services. However, we do ensure that the public health budget is spent on the wider determinants of public health, if not directly on services.

Cllr McGowan added that work was ongoing with GPs to improve access and that the Primary Care Strategy should reduce pressure on A&E services. The Better Care Fund was also due to be sent to the Department of Health on 14 February.

Cllr Cazimoglu commented that GP access, or lack of access, was indeed an issue and that the pressure on health services was critical.

Housing

Cllr Smith raised the following questions in respect of Housing:

Q: The savings proposals in the Consultation refer to a reduction of around £1.4m in employee budgets within HHASC – what proportion of these relate to Community Housing?

A: £226,000 of the £1.4m relates to Community Housing.

Q: Were all savings across the Department considered on an individual basis?

A: All managers were asked for savings proposals; these were then put forward for consideration. Managers were given a steer that front line services were to be protected when putting forward proposals.

Q: Has the review of Community Housing been completed?

A: This is currently at the first phase of implementation. Further savings will be delivered in 14/15.

Q: What is referred to by a 'smarter way of working' and 'self service' in respect of Housing?

A: In order to make efficiencies we have to look at working differently. Demand for housing services has increased and there is an increased need for more timely decisions on housing applications and assessments. By introducing 'smarter' services we will enable customers to fill out applications online, reducing the need to visit the Council in person and making turnaround times for applications quicker.

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Q: Please could you update the meeting on where the Council is at with the plan to bring Enfield Homes back in-house?

A: As you know, Council took this decision and we are proceeding to implement it as planned. Part of this process involved the running of joint services and the appointment of a Joint Director. We are progressing as planned and are looking to bring some services back in-house earlier. We have already exceeded the savings target identified as part of the implementation of joint services.

Q: Please could you indicate the level of savings to be achieved by this?

A: When the decision was taken the level of savings identified was £500,000.

Q: Referring to the increased pressure on temporary accommodation identified in the Medium Term Financial Plan – where is the Council with its plan to buy private properties to help address this?

A: A proposal is due to Cabinet in February and a full briefing will be provided to the Leader of the Opposition and the Chair of the Housing, Growth and Regeneration Scrutiny Panel.

It was noted that there may be extra funding available in relation to the 'bedroom tax'.

Q: Will you be ensuring best value for money when purchasing these properties?

A: Yes.

A resident also raised the following question:

A: How will you keep track of who is renting property and where they are coming from?

A: This falls into the area of selective licensing, upon which we are consulting at the moment. Residents have been sent a leaflet. Landlords will need to apply for a license and lettings will be entered onto a database. This will help address issues such as anti-social behaviour and 'rogue' landlords who do not keep their properties up to standard. It is important to note that the Council cannot make a profit from selective licensing; the income generated can only be used to run the scheme.

Regeneration, Leisure & Culture

Councillor Smith raised the following questions:

Q: When I was last briefed on the matter of the Government's CPO in relation to the Electric Quarter it was mentioned that the

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Council was 'reviewing its options'. Please could you update me as to progress?

A: Once we have confirmation on the exact area of land being procured for the school we can consider what we can do. As yet, we do not have that.

Q: Is anything being done to request the Government expedite this release of information?

A: Yes, we have asked and are due to receive a substantive response shortly.

Q: How is the purchase of sites in Meridian Water progressing?

A: We are still in discussions and are undertaking due diligence in respect of the contaminated land. Discussions are progressing well and we hope to have positive news to report to Cabinet in the very near future.

Q: Are these sums fully accounted for in the Medium Term Financial Plan?

A: Yes, they are accounted for in the Capital Budget.

Schools and Children's Services

Cllr Simbodyal referred to the papers provided which summarised the comments of the Children & Young People Scrutiny Panel. Andrew Fraser, Director of Schools and Children's Services, was thanked for his work in identifying the necessary savings.

Cllr Simbodyal then stated that, although the Quality Assurance post for fostering parents would be deleted, the post would be maintained in-house, and would continue to use independent assessment criteria.

Cllr Simbodyal also stated that although the Social Worker Graduate Scheme was to be discontinued it would be replaced by a commissioned service similar to Teacher First. Cllr Simbodyal had been reassured that, therefore, a good scheme would continue to run but had recommended that the Panel continue to monitor its success.

On the renegotiation of contracts the Councillor was reassured that services will continue to be delivered.

The Councillor then explained that Traded Service buy back would be an important income stream for the Department, and an increasing number of academies were participating.

Members of the Youth Parliament were now attending Scrutiny Panels.

Consideration was then given to the £936,000 savings proposal for Commissioning. A resident explained that this had significantly impacted voluntary sector services, since many received their funding

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through this 'pot'. Voluntary sector services were increasingly needed to help address issues such as rising child poverty.

Cllr Orhan responded that, in the face of year on year cuts, it had become necessary to consider ways in which services could 'do things differently' but still meet their statutory responsibilities. She referred to Cllr Simbodyal's comments regarding the Graduate Training Scheme and Quality Assurance post as examples of this. Cllr Orhan reiterated that she was aware of the issue and wished to develop a good working relationship with such organisations to find the best way forward. Andrew Fraser added that a meeting was to be held shortly with voluntary sector providers to find a way forward to a co-creation model. The Council's priority would always be to ensure those services involving highest risk, such as child protection and safeguarding, would not be compromised. It was also important to get involved with families early, to prevent more complex problems later on.

Cllr Rye responded that a note detailing the commissioning savings would be useful. He accepted Cllr Simbodyal's comments regarding the Graduate Training Scheme, although he disagreed that bringing the Quality Assurance role in-house would not affect its current level of independence. He then asked the following questions:

1. whether the savings proposal 'Safeguarding and Quality Assurance restructure' in the Consultation involved any loss of posts;
2. that if the management review proposed involved post reductions, whether quality may be compromised;
3. what the current position was regarding the Schools Lettings Service;
4. what was meant by the proposal 'Joint Service for Disabled Children – efficiencies'.

Andrew Fraser responded as follows:

1. This referred to the QA post previously discussed.
2. This was a management review across the Department and involved 1.5 posts.
3. The Schools Lettings Service would cease, subject to consultation.
4. This was a reduction on short breaks and represented a reduction of £50,000. Service users were aware of the situation.

Andrew Fraser added that the commissioning savings proposals were broadly substitutions with Public Health, for example, a programme of oral health.

ACTION: Andrew Fraser to provide a note detailing the commissioning savings proposals to Cllr Rye and for attachment to the Minutes.

4. Comments/Issues Raised During the Budget Consultation by:

Scrutiny Panels

The comments made by the Scrutiny Panels previously provided to the meeting were **NOTED**.

Area Forums

The comments put forward by the Area Forums within the Minutes provided to the meeting were **NOTED**.

Other Consultees

It was **NOTED** these comments had been summarised by James Rolfe during his earlier presentation.

5. Consideration of Overall Scrutiny Response to the Budget Consultation

It was **AGREED** that the Overview & Scrutiny Budget Committee's response to the Budget Consultation was that:

All points made during the meeting are **NOTED**. These will be summarised and provided to Cabinet and to Council.

6. Summary and Close

All attendees were thanked for their contributions and the meeting was closed.