

Overview  
& Scrutiny  
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# Review of Priorities and Resources 2014/2015

REPORT TO THE MAYOR

JANUARY 2014



## **1. Introduction and Methodology**

- 1.1 In setting its Work Programme, the Overview and Scrutiny Board agreed that, as it did in January 2013, it would undertake a review of the Council's priorities and resources through focusing on those budget reduction areas which had been classified as being of major or minor public interest. The Board had previously expressed the view that it would wish to be involved earlier in the process and asked that the Mayor to identify some areas that the Board could usefully review in order to prepare "packages of evidence" which the Mayor could use to inform the budget setting process.
- 1.2 Unfortunately a response from the Mayor was not forthcoming and consequently the Board had limited time in which to gather evidence of the wide ranging impacts of the proposed budget reductions as it could only commence its work once the Mayor's budget proposals were made available to it.
- 1.3 The Mayor published his draft budget proposals for 2014/15 and (in some cases) 2015/2016 at the end of November 2013. At this stage, the Board invited all members of the Council to notify it of any specific proposals they would like to see scrutinised by the Priorities and Resources Review Panel<sup>1</sup> in January 2014.
- 1.4 The Priorities and Resources Review Panel met on 29 November 2013 and determined which proposals it would scrutinise and, at this stage, a "call for evidence" to service providers, service users, partner organisations and the general public was issued.
- 1.5 The Panel then held a series of meetings in January 2014 to hear the rationale for the proposals from the Mayor and his Executive Leads and to receive representations from a range of organisations and individuals.
- 1.6 The findings of the Panel were considered by the Overview and Scrutiny Board at its meeting on 29 January 2014 at which the conclusions and recommendations from the Review were agreed.

## **2. Budget Reduction Proposals for Supporting People**

- 2.1 The Priorities and Resources Review Panel agreed that it would consider all of the proposals in relation to Supporting People which had been assessed as having a major community impact. The services affected were:

Young People Support and Accommodation Service  
Integrated Families Service  
Supported Employment  
Leonard Stocks Centre  
Jatis x 2

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<sup>1</sup> The membership of the Priorities and Resources Review Panel mirrors that of the Overview and Scrutiny Board.

Floating Inclusion Support Service  
 Community Outreach Support Service  
 Criminal Justice Accommodation Service  
 Reaching Out South West  
 Folks at Home  
 Sheltered Housing  
 Extra Care  
 Link Workers  
 Personal Budgets

2.2 The Panel received details of each proposal and the current version of the Equality Impact Assessment. These are available on the Torbay Council website at [www.torbay.gov.uk/budget1415](http://www.torbay.gov.uk/budget1415).

2.3 Prior to its meeting, the Panel sought written representations from service providers, service users, other departments within Torbay Council and partner organisations within the health and criminal justice sectors. Respondents were asked to address the following points:

What will be the impact of the proposals? What support will clients seek from elsewhere? What support will actually be available elsewhere? Will costs be shunted to other organisations? How will the effects be felt within the wider community? Can the proposals be implemented differently in order to reduce the impact?

2.4 Written submissions were received from:

PLUSS	Torbay and Southern Devon Health and Care NHS Trust
Westward Housing	Devon Partnership NHS Trust
Folks@Home	Devon and Cornwall Probation Trust
South Devon and Torbay Clinical Commissioning Group	Director of Adult Social Services
South Devon Healthcare NHS Foundation Trust	Director of Public Health
	Devon and Cornwall Police
	Devon and Cornwall Probation Trust

2.5 At its meeting, the Priorities and Resources Review Panel heard representations from the following organisations and individuals:

Shekinah	South Devon and Torbay Clinical Commissioning Group
Jatis	South Devon Healthcare NHS Foundation Trust
PLUSS	Torbay and Southern Devon Health and Care NHS Trust
Westward Housing	Devon Partnership NHS Trust
Sanctuary Supported Living	Devon and Cornwall Police
Torbay Community Development Trust	Devon and Cornwall Probation Trust
SPOT – Speaking Out in Torbay	Director of Adult Social Services
Service Users of PLUSS	Director of Children’s Services
Carers of Service Users of PLUSS and the Floating Inclusion Support Service	Director of Public Health

2.6 The representations from service providers highlighted a range of issues such as:

- The most vulnerable people in Torbay would be put at risk
- Clients having an increased reliance on benefits if services were ceased
- Isolation of clients increasing leading to mental and physical health problems
- Appropriate support not being available from other agencies
- Services becoming unviable if funding was reduced (rather than removed completely)
- Some services had statutory elements which would need to be met by the Council if the service closed
- Increasing anti-social behaviour and criminal activity
- Increasing hospital admissions and use of the Accident and Emergency Department
- Possibility of working with other local authorities to sustain services
- Pressure would be shifted to other services
- More time was needed to work through alternative solutions
- The (asserted) relatively low cost of preventative services compared with higher cost reactive services

2.7 The representations from service users and their carers highlighted the following points:

- People will be left vulnerable and without a sense of direction
- Services provide a sense of belonging for vulnerable people
- Services enable people to live independently

2.8 The representations from the Community Development Trust and SPOT (Speaking Out in Torbay) raised issues around:

- It takes time to build community capacity and develop new models of working
- The Pioneer project was based around putting people at the centre of their own care and that the proposals should be looked at as part of the wider reform of health and social care services in Torbay
- A Joint Commissioning Team (across services and agencies) could help address some of the issues raised by these proposals

2.9 The Panel went on to consider the impact of the proposed budget reductions within Supporting People on other services provided by the Council and other agencies within Torbay. The following paragraphs highlight some of the points raised.

2.10 The Director of Children's Services reported that:

- Children's Services had already re-designed services to take account of the reduction in accommodation services for young people

- Families will need to be supported differently to try to prevent an increased use in Bed and Breakfast accommodation
- A Children's and Adults Joint Commissioning Team was being established
- There is a need to do things radically different in order to meet the reducing financial resources available to the Council

2.11 With respect to the impact on Housing Services within Torbay Council, the Executive Lead for Strategic Planning, Housing and Energy highlighted that:

- The potential closure of the Leonard Stocks Centre would lead to demands on the Housing Options service.
- If Torbay Council reduced its funding, the Leonard Stocks Centre could still operate as a hostel with other local authorities placing homeless people within the Centre. If those people moved on from the hostel to other accommodation in Torbay and stayed for more than six months, if they became homeless after that time the cost would fall to Torbay Council rather than the council which originally placed them at the Leonard Stocks Centre.
- The Council would need to provide the Severe Weather Watch service through alternative provision with the associated cost.

2.12 The Director of Children's Services and the Strategic Housing Manager reported that:

- Torbay Council currently has nomination rights to the Leonard Stocks Centre.
- The numbers within the Leonard Stocks Centre are managed through "move on" services whereby floating support services support clients to sustain their tenancy in the private sector. If a tenancy fails within two years, the Council still has a duty under Homelessness legislation.
- The Housing Options Team did not currently have the skills to provide the support being provided through floating support services. However, if those services were no longer provided, the Council would need to change the way that it did things and join services up more effectively. This change needed to happen now rather than in six months time.

2.13 To understand the impact on the health service in Torbay, a joint representation from South Devon and Torbay Clinical Commissioning Group (CCG), South Devon Healthcare NHS Foundation Trust and Torbay and Southern Devon Health and Care NHS Trust highlighted:

- South Devon and Torbay had been identified as a Pioneer site for integration. As such the health and care community had declared an intention to shift the emphasis in care towards prevention and early intervention.
- There was agreement between the CCG and the Council to pool funds once the Integrated Care Organisation is established.
- The Integrated Care Organisation would deliver better outcomes to the people of Torbay within restrained resources. However, it would take at least 18 months for these benefits to be realised and to that end the CCG would "like to discuss a deferral of some of the budget changes, so that change can be effected in an orderly and considered way by our health and care community as a whole".
- Both the CCG and the Foundation Trust requested that further consideration be given to the proposals in relation to the Leonard Stocks Centre, Jatis, the Social Inclusion Floating Support Service and the Community Outreach Support Service. It was felt that the closure of these services would lead to clients seeking support from elsewhere such as GP surgeries, Accident and Emergency Departments and wider health services.
- The Health and Care Trust had concerns about the proposed reductions to Jatis, Social Inclusion Floating Support Service and Community Outreach Support Service especially in relation to an increasing need for social care.

2.14 Devon Partnership NHS Trust made representations on:

- The impact on its assigned social care budget from Torbay Council of the potential closure of the Social Inclusion Floating Support Service, the Community Outreach Support Service, the Link Workers and Supporting People Personal Budgets.
- Concerns of how the closure of these services would increase the incidence of mental health problems and the involvement of other agencies such as housing and the police in supporting vulnerable clients.
- In a similar vein to the other NHS organisations, the Trust suggested that consideration be given to phasing out some services over a longer period of time enabling each person receiving the service to be reviewed.

2.15 Representing the criminal justice sector, Devon and Cornwall Police and Devon and Cornwall Probation Trust made the following points:

- The impacts of the proposed budget reduction for the Leonard Stocks Centre would include increases in the level of crime and anti-social behaviour, pressure on health services and police and criminal justice resources and a perception among the wider community of feeling unsafe in certain areas.
- In relation to the proposed budget reduction to the Integrated Families Service it was asserted that there would be increased risks to children and vulnerable young mothers, increased feelings of isolation and increased issues around the safeguarding of children.
- The important role played by Jatis in the TurnAround programme which manages 120 of South Devon's most prolific offenders in providing accommodation for those involved in the programme.
- Suitable accommodation is the key to helping the Probation Trust's clients and there is a need for reliance and enhanced working with partner authorities.
- There is an opportunity to share resources more effectively through working with the Police and Crime Commissioner and the Health and Wellbeing Board.
- If the Council and local agencies don't control the accommodation in Torbay, then it has no control over who is placed in that accommodation.

2.16 The Director of Adult Social Services and the Director of Public Health expressed the following views:

- Reductions had been proposed for discretionary services and the cost shunt to other services could probably not be avoided if the Council needed to maintain funding for statutory, demand-led services.
- The Pioneer initiative was looking to build on the current model of integration over a five year period but the Council needed to make significant savings within two years. There would be an impact of the proposed reductions but the health and care sector were trying to mitigate that impact as best it could.
- The Pioneer initiative also provided an opportunity to work together to focus on preventative services to try to address the risk taking activity of certain sectors of the community.

### **3. Budget Reduction Proposals for Residents and Visitor Services (including Riviera International Conference Centre)**

3.1 The Panel agreed that it would consider the following proposals in relation Residents and Visitor Services:

Riviera International Conference Centre  
Torbay Coast and Countryside Trust  
English Riviera Tourism Company  
Acorn Centre  
Highways – Structural Maintenance and Cyclical Maintenance  
Parks and Open Spaces  
Library Services

3.2 The Panel received details of each proposal and (where one was required) the current version of the Equality Impact Assessment. These are available on the Torbay Council website at [www.torbay.gov.uk/budget1415](http://www.torbay.gov.uk/budget1415).

3.3 Prior to the meeting, written representations were received from:

English Riviera Tourism Company  
Friends of Brixham Library  
Friends of Paignton Library

3.4 At its meeting, the Priorities and Resources Review Panel heard representations from the following organisations and individuals:

Torbay Coast and Countryside Trust  
English Riviera Tourism Company  
Acorn Centre  
Friends of Torquay Library  
Friends of Brixham Library  
Community Development Trust

3.5 At the meeting the Panel were able to ask questions of the Mayor and the relevant Executive Leads. The Director of Place and Resources and Executive Head – Residents and Visitor Services also attended the meeting in support.

3.6 A range of representations were heard by the Panel:

- The need for a conference centre to attract further inward investment with the leisure pool being fundamental to Torbay's tourism offer.
- A contribution of £9 million to the local economy associated with the activities of the Riviera International Conference Centre.
- Possible significant impact on Torbay Coast and Countryside Trust if a wider offer by the Trust in relation to its debts, working capital and the future of a site at Preston Down Road, Paignton was not accepted by the Council at the same time.



- A proposal for a Tourism Business Improvement District which would significantly decrease the funding of the English Riviera Tourism Company by Torbay Council if successful.
- The return on investment of the English Riviera Guide of £34 for each £1 spent.
- The plans for the Acorn Centre to become a self sufficient organisation with a request that reduction in grant be phased in over a period of up to five years.
- The requirement for a Needs Assessment of library services in Torbay to be completed prior to any change in service provision.
- A request that a “tapering” of proposed budget reductions be considered which would be helpful in ensuring that there was community and voluntary sector capacity to mitigate the proposals.

#### **4. Budget Reduction Proposals for Adult Social Care**

- 4.1 The Panel agreed that it would consider the following proposals in relation Adult Social Care:

Community Alarms  
 Learning Disability Development Fund  
 Voluntary Sector Block Contracts  
 Redesign of Services  
 Redesign of Delivery Model

- 4.2 The Panel received details of each proposal and (where one was required) the current version of the Equality Impact Assessment. These are available on the Torbay Council website at [www.torbay.gov.uk/budget1415](http://www.torbay.gov.uk/budget1415).
- 4.3 Prior to the meeting, written representations were received from Access to Community Education (an organisation included in the proposal in relation to Voluntary Sector Blocks Contracts).
- 4.4 At its meeting, the Priorities and Resources Review Panel heard representations from the following organisations:
- Healthwatch Torbay  
 SPOT – Speaking Out in Torbay  
 Access to Community Education  
 Community Development Trust
- 4.5 At the meeting the Panel were able to ask questions of the Mayor and the relevant Executive Leads. The Director of Adults Services together with representatives from Torbay and Southern Devon Health and Care NHS Trust also attended the meeting in support.

4.6 A range of representations were heard by the Panel:

- The need for the voice of the user to be heard in re-designing services.
- Delay the implementation of the proposed budget reductions to enable the voluntary sector to review their services.
- That the voluntary sector could be used more effectively.
- Opportunities for joint commissioning would enable organisations and sectors to work together to make things better.
- Making budget reductions at this stage would be counter intuitive and that there was a need to work with community and voluntary organisations to build capacity and work more productively.
- There was a need to work differently and broaden the discussions to include service users, their communities and the voluntary sector. This would enable more imaginative solutions which would be more cost effective.
- The budget proposals also needed to be considered in the wider context of the changes in health and social care (both locally and nationally).

## **5. Budget Reduction Proposals for Children's Services**

5.1 The Panel agreed that it would consider the following proposals in relation Children's Services:

Citizens' Advice Bureau  
Commissioning of the Nest Nursery  
Review of Children's Day Care and Domiciliary Care Services

5.2 The Panel received details of each proposal and (where one was required) the current version of the Equality Impact Assessment. These are available on the Torbay Council website at [www.torbay.gov.uk/budget1415](http://www.torbay.gov.uk/budget1415).

5.3 Prior to the meeting, written representations were received from Torbay Citizens' Advice Bureau; a representative of whom also attended the meeting to address the Panel. A representative of the Community Development Trust also addressed the Panel.

5.4 At the meeting the Panel were able to ask questions of the Mayor and the relevant Executive Lead. The Director of Children's Services and Strategic Housing Manager also attended the meeting in support.

5.5 In relation to the proposal to reduce the Council's funding of the Citizen's Advice Bureau the following points were raised:

- Torbay Citizens' Advice Bureau is one of the busiest in the Country and that it helps to increase the income levels and manage the debt of some of the poorest and most disadvantaged in Torbay.
- The level of grant reduction proposed would make the Bureau financially unsustainable. The rent due on the Torquay premises would more than double in 2014/2015.
- The proposal was not being considered strategically and that the Council needed to consider how it works with the community and voluntary sector.
- There would be a risk of a cost shunt to Torbay Council's Connections service. It was also asserted that Connections were already signposting clients to the Citizens' Advice Bureau for help with Housing Benefit forms.
- Alternative provision could be made if the Bureau were to close. Options would need to be explored.

## **6. Conclusions and Recommendations**

- 6.1 The Overview and Scrutiny Board recognise and accept that £22 million of reductions to Torbay Council's budget over the next two financial years must be achieved.
- 6.2 Members of the Board read and heard representations during the course of its review with increasing frustration that the issues that it heard were the same issues which had been raised in the last two reviews of the Council's priorities and resources. The conclusion from last year's report was:

*"...there have been three emerging and interlinked themes to which the Overview and Scrutiny Board would like to draw attention:*

- *the need for a three year "business plan" for the authority;*
- *the need for a co-ordination of efforts between the Council, its partners and the wider community (including the voluntary sector); and*
- *the impact on Council services and those of partners and the voluntary sector of the forthcoming welfare reforms."*

### Supporting People

- 6.3 The Board feel that those fortunate citizens of Torbay who have uncommitted disposable income are hardly touched by the budget reduction proposals with the majority of service departments being required to make reductions of around 20% to 25%. However, against all natural justice, Supporting People have been asked to find a swingeing reduction that is in excess of 70%. This

reduction hits the poor, the vulnerable and the severely disadvantaged. The Board considers that the effects on those who are least able to help themselves are so profound that the proposals for Supporting People are calling the morality of the whole process into question.

- 6.4 The substantial percentage imbalance between the various proposed departmental reductions brings into serious question the whole purpose and *raison d'être* of why elected councillors are here. The Board believes that councillors have a duty of care to those who elected them and those constituents who they represent to ensure that, in extremis, the worst off in our society deserve, and have the right to expect, our protection within the limited financial resource that is available. This can be achieved by ensuring that financial reductions to all departments' budgets are as evenly spread across the spectrum as possible and that their introduction is timed to ensure that the minimum possible damage is caused to the life and existence of the clients who receive Supporting People services.
- 6.5 Sadly, the Board notes that the present proposals in relation to Supporting People do not meet this basic test and are therefore wholly unacceptable for the following reasons:
- The proposed reductions to departmental budgets are indefensibly and unevenly spread across recipient departments in percentage terms with those citizens who are most in need and those who are most vulnerable being hit the hardest.
  - The timing of the proposed reductions in the Supporting People budget is ill thought through. All of the evidence heard by, and representations made to, the Panel point irrefutably to the fact that terminal damage will be caused to many clients who rely on Supporting People services for their survival if the reductions are not amended to meet the quite reasonable requests of those making representations to the Panel that the reductions are delayed for one year to allow provider organisations time to make alternative arrangements for the provision of their services. Most representatives said it can be done but time is needed in which to do it.
- 6.6 Members of the Board also heard economic arguments against the proposals as well as social and moral arguments. There will be a cost implication across the public sector in Torbay as other agencies see an increase in activity as a result of the proposed reductions in Supporting People services.
- 6.7 The Board does not believe that the obviously serious financial situation in which the Council finds itself is a justifiable reason for throwing even-handedness, compassion, humanity and principle out of the window and appeals to the Mayor to act accordingly. In short, the Board believes that the £22 million of reductions can and must be achieved by a more equitable and evenly balanced means.

- 6.8 More flexibility needs to be allowed within the Supporting People proposals so that the cuts are not so deep in 2014/2015.
- 6.9 Similarly, flexibility around the proposals in relation to the Voluntary Sector Block Contracts should be considered with other sources of funding being explored.

**6.10 It is therefore recommended:**

That the level of budget reductions in relation to Supporting People are reduced to ensure that those services that help the most in need and the most vulnerable are protected. In reducing the level of budget reductions, serious consideration should be given to the fact that smaller organisations are doing just as much valuable work as the bigger organisations.

That it is not unreasonable to ringfence the current underspend within Adult Social Care to mitigate against the proposals within Supporting People given the likely cost shunt towards social care as a result of the current proposals.

Community Development Trust

- 6.11 It appears to the Board that a large reliance is being placed on the Community Development Trust to support and develop the community and voluntary sector in Torbay. The Board questions whether the Trust is advanced enough at this point in time to take on this role in the manner that is being expected by services across the Council.
- 6.12 That said, the Board do believe that the Community Development Trust needs to be empowered to become involved in specific projects. In particular, in relation to the Acorn Centre, the Council and the Trust need to engage positively so that a clear strategy for the future of the Centre can be established.
- 6.13 Similarly, a more proactive approach towards the funding of the Learning Disability Development Fund should be undertaken, again including the Community Development Trust.
- 6.14 The Board would wish to review (in three to six months) how well the Community Development Trust is operating given the number of issues which have been passed to it as a result of budget reductions within Torbay Council. The Board would particularly wish to receive an update on the proposals for the Acorn Centre to become self sustaining.
- 6.15 The Panel also received a commitment from the Director of Children's Services that he would spend the next two to four months "exploring how Children's Services can more radically do things". The next Children and Young People's Plan was due to be published in June 2014.

### Riviera International Conference Centre

- 6.16 The Board believe that, given the need to find huge savings across the Authority and the impact that this is likely to have on services provided to the most vulnerable in the community, it now time to prove or disprove whether the Mayor's arguments in relation to the Riviera International Conference Centre are correct. The Board believe an options appraisal should be carried out to identify the uses and routes by which the Centre can be self financing.

#### **6.17 It is therefore recommended:**

That an options appraisal on the future of the Riviera International Conference Centre be undertaken by the Torbay Development Agency, free from political interference, within the next three months.

### Torbay Coast and Countryside Trust

- 6.18 The Board wish to see a Coast and Countryside Trust which is financially resilient but do not feel that it has a full enough understanding of the issues to make informed comments. The Board hopes that further progress can be made before the budget is set in relation to releasing capital for the Torbay Coast and Countryside Trust so that the Trust can invest to save in the long term.

### English Riviera Tourism Company

#### **6.19 It is recommended:**

That the Mayor give sympathetic reconsideration to the proposal from the English Riviera Tourism Company and a commitment to the end of the contract period. The local authority should do all in its powers to support the proposed Tourism Business Improvement District otherwise the Tourism Company will have no long term future.

### Library Services

- 6.20 The Board was disappointed that it was not able to receive the outcome of the consultation in relation to Library Services and therefore is not able to make any comments on the proposals which have yet to be articulated. This is likely to be an area that the Overview and Scrutiny Board will consider as part of its Work Programme for the coming year.

### Citizens' Advice Bureau

- 6.21 Last year there was a proposal to reduce the grant paid to the Citizens' Advice Bureau by £30,000. Following recommendations from this Board, it was agreed that this reduction in grant be delayed to enable the Bureau to make savings with a reduced grant being introduced in 2014/2015. Now it is proposed that the grant will be reduced by £75,000 and the Panel was informed that this would make the Bureau unsustainable.

- 6.22 The Council should be strengthening its safety nets and the Board believe that this should be one of the last areas to be cut. At a time when services for the most vulnerable are facing major reductions in their funding – services which provide support and advice – where are people expected to go for advice?
- 6.23 The Board does however acknowledge that there is probably a large amount of duplication of the advice available to the public between the Citizens' Advice Bureau, the Council, Job Centre Plus and housing associations to name but a few. This should be reviewed as a matter of urgency.

**6.24 It is therefore recommended that:**

That the reduction in the grant to the Citizens' Advice Bureau be limited to £30,000 in 2014/2015.

Future Strategy

- 6.25 Despite its recommendations last year on the need for a three year "business plan", the Board believe that Torbay Council has no long term strategy for how it can manage its long term financial issues.
- 6.26 The Council needs to establish its "2020 Vision" to determine whether it is fit for purpose in the environment it finds itself in. A wide range of options need to be considered including how the Council works with its neighbouring authorities and with local health trusts. The opportunities for joint commissioning between health and social care need to be seized together with the opportunities arising from Pioneer status. The Overview and Scrutiny Board could be best placed to develop this vision. Another year cannot be wasted.
- 6.27 The Board will also be reviewing the budget setting process itself although it appears on the face of it that the process should commence earlier in the year with all councillors being briefed and that Executive Leads should be asked to demonstrate how their individual strategies will support Torbay Council's long term aims and objectives.