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Dear Member

OVERVIEW AND SCRUTINY BOARD - WEDNESDAY, 25 JANUARY 2012

I am now able to enclose, for consideration at the Wednesday, 25 January 2012 meeting of the Overview and Scrutiny Board, the following reports that were unavailable when the agenda was printed.

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5.	Report on Budget Consultation / Impact Assessments	(Pages 1 - 6)
6.	Budget Recommendations Report	(Pages 7 - 10)

Yours sincerely

Jo Beer
Clerk

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Title: **Budget Consultation**

Is the information in this report available to the public? Yes

Wards Affected: All wards in Torbay

To: Overview and Scrutiny On: 25th January 2012

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1. Key points and Summary

- 1.1 This report highlights the consultation on the Budget 2012/13 which has been open since the end of September 2011, allowing members of the public to have their say on the priorities and the proposals for savings which were identified across each business unit.
- 1.2 Consultation activity continued following the publication of the Mayor's Provisional Spending Targets on 8th December 2011, and was amended to reflect the further details published.
- 1.3 Approximately 600 people have taken part in the general consultation, which has included public meetings, surveys (paper and online), caravan events and an online budget simulator. Through public meetings, attendees took part in an interactive voting session, as well as having the opportunity to raise questions and comment on proposals. The surveys asked a mixture of closed and open questions to gauge public opinion and the budget simulator allowed members of the public to balance their own council budget.
- 1.4 The key results from the general budget consultation show that: -
 - Overall, the general public are in support for all of the budget proposals put forward.
 - Further consultation is required with regards to specific proposals under Adult Social Care. This needs to be carried out with service users, by way of needs assessment, and engagement with the families, carers and any groups representing the needs of the service user.
- 1.5 In addition to the general consultation a survey focussing solely on the library service was also carried out at the same time.
- 1.6 In line with the Council's Public Sector Equality Duties, impact assessments

have been completed for all major budget decisions. The impact assessments evaluated the potential positive and negative effects on the Torbay community of the budget proposals. The majority of the impact assessments highlighted minimal potential negative impacts. There was some need for minor adjustments of budget proposals to be made to remove any potential barriers which includes further consultation with vulnerable groups as well as the need to ensure adequate monitoring is in place to assess the real impact of the budget proposals once they have been implemented.

2. Introduction

- 2.1 Over the past year there has been an increase in the number of cases brought against local authorities with regards to the decisions they are making on their budgets.
- 2.2 Torbay Council needs to ensure it is making 'fair financial decisions' and the lessons learnt from recent legal challenges has been an integral part of our planning, both in terms of assessing the impact of the proposals and ensuring a robust consultation process.
- 2.3 A task group was established which included officers across business units (Business Support, Commercial Services and Governance) to monitor and review the process of consultation and impact assessments along-side emerging evidence of recent legal challenge.
- 2.4 The proposals which have been put forward have been subject to challenge from Business Services. Proposals were categorised into three groups: -
 - I. 'internal' – which relates to re-structures and efficiency savings, those that come under the role of Head of Paid Service,
 - II. 'minor' – which relates to those proposals which will have a minor impact and low community interest, and
 - III. 'major' – which are those where there will be substantial community interest and could have a significant impact on service users.
- 2.5 The proposals which have been categorised as 'major' have been subject to an impact assessment to determine the potential impact on service users and have been included in the consultation, either as part of the general consultation, service specific or as in the case of proposals affecting individuals under Adult Social Care, there has been on-going re-assessment of client need.
- 2.6 Consultation activity has included public meetings held in each town, surveys (both paper and online), an online budget simulator and Connect caravan events. The library service also ran a library specific consultation questionnaire that was placed in all library locations.
- 2.7 Approximately 600 people have taken part in the general consultation, which considered all of the proposals as well as asking respondents to identify how much they would save from each service area. Ways to get involved in the budget consultation have been widely communicated through regular press releases, newsletters and updates via the website.
- 2.8 Local interest groups (such SPOT and Torbay Voice) have been involved in the consultation through attendance at public meetings or by submitting written

responses and these have been considered as part of the consultation. A petition 'Requesting to reverse the decision to cut £45,000 a week from Adult Social Care' was also been received signed by approximately 800 people.

- 2.9 The key results from the general budget consultation show that, overall, the general public are in support for all of the budget proposals put forward. More specifically, while appreciating the need for savings, respondents wanted budgets for Adult Social Care and Children's Services protected as much as possible. However, there was support for the proposals which have been put forward under these areas including:

Proposal	% in support	% against
Supporting people to live in their own homes and reducing the number of care homes placements needed	85%	15%
Ensuring that people who are cared for in their own homes are fairly assessed against the Choice, Care and Risk Policy	74%	26%
Reviewing the delivery of learning disability services through new partnership arrangements	84%	16%
Reviewing the criteria for urgent support payments made to parents and improving signposting to enable them to maximise welfare benefits	79%	21%

- 2.10 With regards to the proposal to reduce Youth Service neighbourhood provision and start a funding pot for community and voluntary groups, there was support for this (68%) under the general consultation, however an alternative proposal has been made by a current member of staff which has been forwarded to the Executive Lead for Children, Schools and Families.

- 2.11 Proposals put forward under the Resident and Visitor Services Business Unit also broadly gained support. Proposals in relation to parking saw mixed support from the public; however these are the remit of the Transport Working Party and further consultation regarding these proposals has been carried out by this Board.

Proposal	% in support	% against
Libraries: reduce the no. of days that each library is open each week	62%	38%
Parking: increase the number of on street pay and display parking areas	46%	54%
Beach Huts: increase the charges for beach huts.	73%	27%

- 2.12 With regards to other services areas such as Spatial Planning, Community Engagement and Community Safety there was also support for the majority of proposals put forward under each of these areas:

Proposal	% in support	% against
Spatial Planning: increase planning charges	84%	16%
Spatial Planning: renegotiate concessionary bus fares	68%	32%
Community Engagement: increase fees for ceremonies	95%	5%
Community Safety: Cease to provide out of hours emergency service	50%	50%

2.13 The overall savings targets set within the Budget Digest compared to the savings which were identified by the public in the Budget Simulator are shown below. The public identified higher levels of savings for Adult Social Care, £4.5million compared to the level of savings proposed in the budget build of £2.4million. With regards to children's services, the public identified smaller savings than have been proposed in the Provisional Spending Targets.

	Budget Simulator (Public feedback)	Provisional Spending targets for savings (incl. increased income)
Service Area	Average £ Change	£ Change
Adult Social Care (inc Supporting People)	-£4,521,264	-£2,477,000
Children's Services	-£1,602,177	-£2,414,000*
Regulatory Planning & Licensing	-£1,053,956	-£922,000
Residents and Visitor Services	-£1,144,232	-£1,385,000
Support Services (incl. Community Engagement)	-£1,350,258	-£1,446,000
Torbay Development Agency	-£678,334	-£623,000
Waste and Cleaning	-£1,199,052	-£100,000*

*Within Financial Services there is a one off volatile reserve of £900,000 to support Children's Services transformation programme which will help to achieve improved outcomes.

2.14 The table shows that on the whole public opinion suggests smaller percentage changes to budgets to vulnerable people i.e. Adults and Children's Services, although in monetary terms this would provide larger monetary savings. Public opinion for all other services suggests budget savings of between 10-14%.

2.15 In line with the Council's Public Sector Equality Duty, impact assessments have been completed for all major budget proposals. The majority of the impact assessments highlighted minimal negative impact on the community or the need for minor adjustments to be made to remove any potential barriers. The following adjustments have been made after the completion of impact assessments: -

Budget Proposal	Adjustments Made/Proposed
Waste Recycling Credits (Spatial Planning)	As the community groups only receive £15 per tonne for paper from the recycling companies, it was thought that taking away the recycling credit of £57.76 was disproportionate and would almost remove their entire income stream, so this will be continued at least for 2011/12 financial year.
Beach Huts – Increase Charges (Resident and Visitor Services)	Socio-economic impact identified therefore an adjustment to the increase in charges has been made from 23% to an average increase of 12% (a maximum of 18% in high demand areas)
Parking (Resident and Visitor Services)	Action has been taken, since the consultation activity began, to remove secondary shopping areas to help to sustain local businesses. There have also been amendments to the length of stays in some areas, and free days (i.e. Sundays) have been introduced.
Libraries (Resident and Visitor Services)	There is potential for negative impact on vulnerable groups depending on the specific proposals put forward as to how the

	reduction will be achieved. Full consideration will be given to vulnerable groups with the least impact achievable in determining the final proposals.
Youth Service (Children's Services)	Additional consultation will need to be undertaken with vulnerable groups and the voluntary sector. Further testing may also need to be undertaken with regards to this proposal. Once full consultation has taken place further adjustments may need to be made.
Adults Services	Further consultation is required with regards to specific proposals under Adult Social Care. This needs to be carried out with service users, by way of needs assessment, and engagement with the families, carers and any groups representing the needs of the service user.

- 2.16 Overall the range of consultation undertaken ensured a variety of opportunities for members of the public to get involved. The consultation has been carried out alongside the development of impact assessments which has led to a continued review of the proposals for savings.
- 2.17 The council needs to ensure that a range of activity takes place to implement the proposals, taking into account the consultation feedback and impact assessment findings. This will include further consultation and specific engagement that needs to be completed with those people who will be affected under the Adult Social Care proposals. Specifically, the council will need reassurance that reassessment of individual care needs takes place and that there are adequate monitoring arrangements.
- 2.18 Business Services will be supporting Business Units in regular monitoring of all budget targets and will continue to monitor their impact assessments to ensure that proposals are not having an adverse impact on particular service users following implementation.
- 2.19 Members may wish to consider the consultation and impact assessment findings when proposing final recommendations on the 2012/13 Budget to the Mayor.

Mark Bennett
Executive Head Business Services

Appendices
None

Documents available in members' rooms
None

Background Papers:

Impact Assessments for the following proposals:

- Reduction to grants to Voluntary Sector (Children's Services)
- Service Variation – Youth Services
- Section 17 Payments (Children's Services)
- Reduction of Library Services – opening hours and service provision
- Additional on-street parking areas, commercial income opportunities and

service reductions for the parking review

- Re-structure of parking charges – on-street and off-street
- Charging for Waste Rubble or Similar Material
- Renegotiate Concessionary Fares
- Waste Recycling Credits
- Adherence to Policies (Adults Services)
- Reduction in care home placements (Residential and Nursing Homes)
- Back Office Efficiencies, Stricter Contract Management, and, Ops Frontline Staff & In-House Units (Adults Services)
- Reduce Expenditure on Domiciliary Care and Day Service Clients
- Reduce Expenditure on Clients with a Learning Disability



Title: **Budget Recommendations Report**

Is the information in this report available to the public? Yes

Wards Affected: All wards in Torbay

To: Overview and Scrutiny On: 25th January 2012

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1. Key points and Summary

1.1 The Overview and Scrutiny Board met to discuss the Provisional Spending Targets for 2012/13 by Business Unit. Public meetings of the Board took place on 13th, 17th and 20th January and Executive Leads along with Commissioning Officers and Executive Heads were asked to present their proposals.

1.2 Please find below a list of recommendations by Business Unit made by the Board to date. These will need to be amended and finalised by the Board so that a report can be submitted to the Mayor and Executive Head for Finance.

General Recommendations:

1) The current one year approach to budget building and planning for future financial years was discussed - recommending that the Council gives consideration to using 3 or even 4 year Business Plans, to include strategic and operational information.

2) That for future Overview & Scrutiny meetings consideration should be given that more financial information should be provided, including business plans (where available).

Children, Schools and Families

3) That the funding of £100,000 for the Early Years Service is not cut.

4) To ensure that the Strategic Lead post for teenage pregnancies remains until the Board are satisfied that there is no adverse impact on the work currently being carried out in this area.

5) To ensure that the reduction in Attendance Improvement Officers does not take place until the Board can be assured that the "Schools Supporting Schools Programme" is in place and the removal of these posts will not have a negative impact.

Residents & Visitors Services:

6) That for future meetings Business Plans should be given to the Board to allow them to receive further details such as Business Plans for Museums, RICC etc.

7) That the Mayor considers inflationary issues relating to the TOR2 contract (currently use RPIX rates) and whether it would be possible for this to be more flexible.

8) That further information be provided, as soon as it becomes available on the breakdown of cuts within the Library Service.

Business Services:

Currently no recommendations made.

Finance:

9) That the RICC should provide Torbay Council with a subsidy reduction plan for the next 2/3 years once the new Board is established.

Information Services:

Currently no recommendations have been made.

Commercial Services:

Currently no recommendations have been made.

Economic Development Company (EDC):

Currently no recommendations have been made.

Adult Social Care

10) The Board raised their concerns regarding the delivery of the Adult Social Care budget and in particular these 8 points:

1. There has been incomplete consultation
2. Inflation (Residential & Dom Care)
3. Cuts to back office totalling £500k
4. Annual Strategic Agreement still not agreed
5. Negotiations over the budget are not entirely complete
6. There is no budget contingency in place
7. The ability to absorb this years overspend
8. The level of demand for the services

The board have recommended that they bring their concern to the Mayors attention.

Supporting People:

11) The Board raised concerns regarding the fact that the Supporting People budget is consolidated in one sum and therefore request that a key principles document should be provided outlining where the Supporting People budget is being spent and how this has been prioritised.

Harbours:

Currently no recommendations made.

Spatial Planning & Waste:

12) That with regards to concessionary bus fares consideration be given to the knock on effect to other service areas (specifically the impact on Adult Social Care).

Community Engagement:

13) That the Mayor considers how much could be saved by disbanding the Torbay Strategic Partnership (TSP).

Community Safety:

14) That reconsideration be given to the proposed saving for the out of hours emergency noise service.

15) That officers bring together details on the current situation regarding grants to community and voluntary sector organisations and report back to the Board.

Capital Investment Plan 2012/13 to 2015/16

16) The Board encourages the Mayor to continue to dispose of appropriate assets bearing in mind those of negative value.

17) To raise concern regarding the Community Fund and lack of detail outlined in the Capital Investment Plan.

18) The LABV is an opportunity to help the local authority in dealing with issues, need to ensure this project continues to progress.

19) That key principles of what a strong business case should look like are circulated.

20) The board support the decision to accept the Government's grant for ensuring a council tax freeze for 2012/13.

Overview and Scrutiny Board

Appendices

N/A

Documents available in members' rooms

Background Papers:

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