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## PEOPLE AND HEALTH SCRUTINY COMMITTEE

### MINUTES OF MEETING HELD ON FRIDAY 12 JANUARY 2024

**Present:** Cllrs Gill Taylor (Chairman), Piers Brown, Robin Cook, Nick Ireland and Jon Orrell

**Present remotely:** Cllrs Molly Rennie (Vice-Chairman)

**Apologies:** Cllrs Paul Kimber, Louie O'Leary, Bill Pipe and Belinda Ridout

**Also present:** Cllr Spencer Flower, Cllr Byron Quayle, Cllr Jane Somper, Cllr Jon Andrews, Cllr Shane Bartlett, Cllr Derek Beer, Cllr Beryl Ezzard, Cllr David Gray, Cllr Brian Heatley, Cllr Sherry Jespersen and Cllr Andrew Starr

**Also present remotely:** Cllr Alex Brenton

**Officers present (for all or part of the meeting):**

George Dare (Senior Democratic Services Officer), Paul Dempsey (Corporate Director - Care & Protection), Aidan Dunn (Executive Director - Corporate Development S151), Julia Ingram (Corporate Director for Adult Social Care Operations), Theresa Leavy (Executive Director of People - Children), Jonathan Price (Corporate Director for Commissioning), Lisa Cotton (Corporate Director for Customer and Cultural Services), Sean Cremer (Corporate Director for Finance and Commercial), Lee House (Service Manager for Finance), Joshua Kennedy (Apprentice Democratic Services Officer), Heather Lappin (Head of Strategic Finance), Sam Poole (Transformation and Performance Manager) and Sarah Howard (Deputy Director of Place, NHS Dorset)

**Officers present remotely (for all or part of the meeting):**

Andrew Billany (Corporate Director for Housing), Vivienne Broadhurst (Executive Director - People Adults) and Sian White (Service Manager, Finance)

46. **Apologies**

Apologies for absence were received from Councillors Paul Kimber, Belinda Ridout, Bill Pipe and Louie O'Leary.

Cllr Molly Rennie attended the meeting online.

47. **Declarations of Interest**

Cllr Ireland declared that he was a governor of Dorset HealthCare.

48. **Minutes**

Proposed by Cllr Taylor and seconded by Cllr Ireland.

**Decision**

That the minutes of the meeting held on 11 December 2023 be confirmed and signed.

49. **Public Participation**

There was no public participation.

50. **Councillor Questions**

There were no questions from councillors.

51. **Urgent Items**

There were no urgent items.

52. **Committee's Work Programme and Executive Forward Plans**

There were no comments on the work programme and forward plans.

Members noted the committee's work programme and the Executive forward plans.

53. **Budget and Medium-Term Financial Plan (MTFP) Strategy Report**

The Executive Director for Corporate Development introduced the budget and Medium-Term Financial Plan. Overall, the budget proposed an 8% increase in funding for the council, which included a 5% increase in council tax. The proposed budget included a savings target of £12m for the Our Future Council programme. The budget setting process until this point was outlined.

The Committee and non-committee members raised a series of issues and recommendations for Cabinet to consider prior to finalising the budget. The table below summarises the issues raised, and responses given at the committee meeting, as well as the recommendations for Cabinet to consider.

<b>Issues raised by the People and Health Scrutiny Committee</b>	<b>Response</b>
<b>Children's Services</b> The Executive Director of People – Children gave a short presentation on the transformation, savings, and external funding for Children's Services. The presentation is attached to these minutes.	

Were there any planned cuts to staffing levels?	There were no savings planned through job cuts. Some recruitment may be withheld for 3 months when a vacancy arises to ensure that the post is right.
Was the council making savings from Family Hubs?	The council was not proposing savings from reduction in the number or scale of operations of Family Hubs. However, the work enabled would lead to a reduction in high level need which would create the savings included in the proposed budget.
What benefit would £110k being allocated to the Birth to Settled Adulthood Head of Service post bring to the council?	The Birth to Settled Adulthood programme would improve services for young people transitioning into adulthood, up to the age of 25. It required significant leadership, and the post would be a complex role. The funding was for the total cost of the post rather than the salary.
How could national changes to children's services policy affect the budget?	The Council was part of the Families First for Children pathfinder which enabled Dorset Council to be further ahead than other councils on this major national policy change. The council was working with the government on policy changes for school attendance and education.
What would be the risk of increasing the number of unaccompanied asylum-seeking children but not increasing the funding? Would costs for support services decrease as children become more integrated?	The council has made a commitment to meet the requirement set by government. Integration through foster carers or supported accommodation would bring costs down. Staffing has been future proofed in case the number of unaccompanied asylum-seeking children increased. There was full cost recovery for accommodation costs.
Was there enough funding to look after unaccompanied asylum-seeking children to age 25?	There were currently over 500 care leavers. It was built into the budget in terms of staffing.
The financial risks associated with	The high needs block was the most

<p>the High Needs Block.</p>	<p>significant financial risk to the council. The Statutory Instrument was in place until April 2026, which if not extended would mean that the Council would have to account for a significant debt . There was a £40m capital programme to build more sufficient capacity for children. An application for a further £14m was submitted to the Department of Education to fund the capital programme.</p>
<p>The Department for Education gave the council a significant grant through the ‘Safety Valve’ agreement. Was there any clawback in the agreement if plans were not met.</p>	<p>The DfE would contribute just over £40m over a 4-year period, and to this point £20m has been given to us. Within the agreement with the DfE there is no expectation to give the money back. The council was currently in negotiations with the DfE to revise the agreement because plans were not progressing as expected, and this would enable the council to receive the next instalment of funding.</p>
<p>If not extended beyond April 2026, the forecast debt for the High Needs Block was £45.8m. Should this be provisioned for in the reserves?</p>	<p>Increasing the reserves to offset risk was likely to be from repurposing the current reserves. There needed to be a national solution because it would lead to multiple local authorities declaring a Section 114 notice if they did not have enough reserves.</p>
<p><b>Fees and Charges</b>  The Corporate Director for Adult Care introduced the theme by outlining how Adult Social Care used fees and charges. They generated income in a number of areas, but they were not able to make a profit under the Care Act. Adult social care had a client contribution process and a specialist financial assessment team.</p>	
<p>Traded services income removal would cost Children’s Services £0.6m. Were there any other areas generating income for Children’s Services?</p>	<p>The traded services income removal was from education support services which was not appropriate for the level of benefit to the council, and it was a risk. The outdoor education service was successful in terms of trading. In some cases, income would be generated from training</p>

	courses.
The council provides care to people who are entitled to it. How much of the self-funded care market would the council be able to get into?	The council buys about 25% of the available beds in the residential nursing market and about 50% in community-based services for people who have been Care Act assessed. Self-funders can be guided through the council for information and advice to find appropriate care, but the council does not actively broker for them. Reform of Adult Social Care looked at this aspect, but it has been pushed back for a number of years.
Would the funding given to Care Dorset create an income for the council?	There was a contract of £26m between Dorset Council and Care Dorset. A 5-year business plan would be created with Care Dorset which would have opportunities to look for income to the council from the wider market. Teckal trading arrangements allowed for Care Dorset to do 20% trading above the contract value with the council.
Were people made aware of the services that Adult Social Care offered so more income could be generated for the council?	Adult social care looked for areas where they could charge for services, however they were limited in what services they could charge for and how much they could charge clients. Approximately 76% of service users paid a contribution and a charge to their care, which was based upon their ability to pay a fee.
A member felt that income generation for the council was difficult because councils are service providers. A Dorset premium could be charged for some services that the council delivers because the council was best at delivering them. Officers could receive more training on income generation.	
The Adults & Housing budget had an increase of £7.2m and this included £8m savings. What was included within the £5m savings for market	The directorate had a good track record of delivering savings and they were confident that they could deliver the £5m savings because of

management?	work that has already taken place. A breakdown of what was included within the £5m would be provided to members.
The council raises revenue through a number of ways such as selling advertising on roundabouts. There should be a wider discussion about this in the Place & Resources Scrutiny Committee.	The majority of roundabouts were sponsored, and an internal member of staff works on this. £152k of income is generated from this. The council works with companies filming in Dorset to generate income for the council.
A member did not want to see specialist resource being used in adult social care to be used to generate additional income because it may only increase funding marginally.	
A member thought it was important that income generation was reported through a robust income generation section in quarterly financial reports, because it would highlight the areas where the council does have income generation.	
It was difficult for adult social care to generate income, however the council benchmarked well against other councils for generating income within adult social care. Was this because people in Dorset were able to pay more contributions towards their care?	Yes, this was a contributing factor.
<b>Recommendation 1:</b> That Cabinet explores more options for fees and charges to create income for services.	
<b>Recommendation 2:</b> That Cabinet receives regular reporting of income generation from fees and charges within Quarterly Financial reports.	
<b>Transformation and Our Future Council</b> The Executive Director of Corporate Development introduced the theme of transformation and Our Future Council. The Council's approach to transformation has had a significant financial impact. The budget included	

<p>£12m savings from Our Future Council. There was a need to identify how the savings would be made, however they would not be made through cutting or reducing front-line services. Possibilities included reviewing how services are commissioned, delivery models, service redesign, and through asset management. Plans would need to be developed by the new council following the local elections. As the Section 151 Officer, the Executive Director for Corporate Development was confident that there were enough reserves available if the savings target was not met.</p>	
<p>The Our Future Council savings were originally £15m but it was now £12m. Has £3m already been saved and would using capital receipts for revenue also reduce it?</p>	<p>An underlying theme was invest to save. Generating £12m of savings would create a cost itself. The budget gap was £15m however it was reduced because of reducing inflation on utilities.</p>
<p>Several members were concerned about reserves being used to underwrite the savings of Our Future Council. Members thought that using reserves in the budget did not lead to a balanced budget, and it contradicted the principle of not using reserves to balance the budget.</p>	<p>There was a fundamental issue of using reserves to close a budget gap. In this case, sufficient funding from reserves was being set aside to cover the risk of not meeting the savings.</p> <p>The flexible use of capital receipts would not be used to offset Our Future Council savings.</p>
<p><b>Recommendation 3:</b> That Cabinet amend the principle that “we will not balance the Budget Strategy by using reserves” in order to clarify the cabinet’s position on using reserves within the budget.</p>	
<p>The council was not doing well in terms of the Revenue Support Grant it received. The council has been lobbying government however it has not worked.</p>	
<p><b>Recommendation 4:</b> That Cabinet write to government to ensure that councils are properly funded.</p>	
<p>How confident was the Section 151 officer that 3.2% inflation was achievable and why was there a 5% increase in fees and charges when inflation was lower?</p>	<p>The assumption was that inflation would fall; however, this had not yet been achieved nationally. The council would set aside 3.2% for average inflation. The council also holds a £5m contingency budget to also mitigate the risk of further</p>

	inflationary pressures. There were additional allocations for utility costs where they rise faster than inflation. The 5% increase in charges would be what was best for services and what they could do within relevant legislation.
There was uncertainty about the future of the adult social care grant. Were preparations being made for the future?	There was funding through the adult social care grant for the next year, but there was no clarity on the future of the funding which created a risk.
In the next year of the Medium-Term Financial Plan, an additional £13m of business rates was being budgeted for. Where was this number from?	The business rate income was originally based on government assumptions. The significant change to the increase in business rates income is due to the revised rateable values which came into effect in April 2023, with the last rating revaluation being in 2017. In addition to this, the Council sought external advice on business rates which has led to the Council being able to be set higher income than the government prediction because of local circumstances.
<b>Housing Finance</b>	
Have the mitigations put in place to reduce the use of B&B accommodation worked?	The number of B&B accommodation being used has reduced and alternatives are found when people become homeless. Although homelessness has increased, the decrease in use of B&B accommodation shows good performance. It was important to focus on the prevention of progress through working with landlords. There needs to be more work in moving people from temporary accommodation to settled accommodation.
What housing had the council purchased through schemes. Were there plans to continue purchasing housing to use as temporary	The council had acquired 66 homes over the last 3 years through government grants. This included grants for Ukrainian or Afghan



accommodation?	families and rough sleeper initiatives. It was important to continue working with government to receive grants.
The number of private rented housing is decreasing, and the cost is going up. What is the council doing with this?	Work has been put into creating the Housing Strategy over the past year. The next stage was developing a delivery plan which would help to address the challenges. The council needed to be working with landlords and property owners. Members would be involved with development of the delivery plan.
What was the impact of a decrease in the New Homes Bonus, and does it indicate a failure of Dorset Council?	The Planning Authority had a role to play in encouraging and approving developments. The number of houses delivered has decreased, as suggested by the decrease in the New Homes Bonus. The New Homes Bonus does not relate to how many housing units are brought forward by the council itself. The council has involvement in bringing new developments forward, but it is not solely responsible for this.
<b>Transport for Children and Adults</b>	
More SEND units were being set up across the county to reduce travel. Parents challenge school placements and the council rarely wins the appeals. Would the building more places increase the amount of travel because there is more choice, and each school would offer different specialisms.	Children having the opportunity to learn within their local communities was very important so building specialist facilities on existing school sites was in the best interests of the children. It would also be in the best interest of the travel budget. If parents do not agree with placements and the parents win the appeal, it can lead to expensive travel costs for the council.
Although Home to School transport was a cross-council issue, it did matter which service was the budget holder. Financial principles dictate that the majority user should hold most the budget. There were currently multiple users of the budget, but the place directorate had the expertise. The users, children's	

and adult services, should be holding most of the budget and they should buy in the experience from Place in order to reduce overspend.	
<b>Recommendation 5:</b> That Cabinet considers whether Place was the appropriate budget holder for Home to School Transport.	
How do adult social services work with volunteers to help access care, such as volunteer car schemes.	The Voluntary and Community Sector Strategy being developed could address this. Adult social care works closely with voluntary services. There was an adult's transport budget of £1.4m to access day services. An element of accessing care was for health providers.

At 12.41pm the committee adjourned for a comfort break until 12.50pm.

Upon reconvening it was proposed by Cllr Taylor and seconded by Cllr Cook that the meeting be extended beyond 3 hours until 13.30pm. The committee agreed to the proposal.

The Committee made 5 recommendations to Cabinet, which are summarised in the table above.

#### 54. **Exempt Business**

There was no exempt business.

**Duration of meeting:** 10.00 am - 1.31 pm

**Chairman**

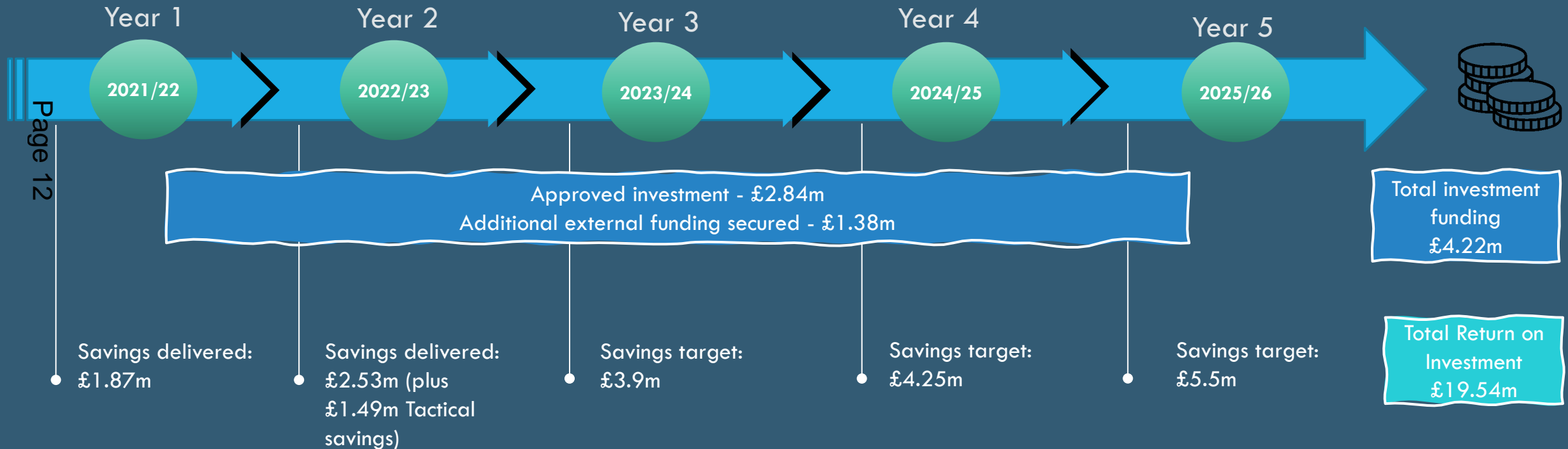
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# People and Health Scrutiny Committee



12 January 2024

# The Transformation journey



# Children's Services Savings (Year 4 of a 5 year savings programme)

## Our Digital Family Offer

**- £0.75m**

- Improving access to universal and specialist services – creating online services that become the preferred choice
- Savings to be delivered through efficiencies and channel shift – reduce headcount

## Family Hubs

**- £0.75m**

- National policy priority – new ways of working
- Rationalisation of assets (Children's Centre stock)

## Mockingbird

**- £0.75m**

- Evidence-based, global award-winning programme led by the Fostering Network in the UK
- Structured around support and relationships an extended family provides
- Building a resilient and caring community
- Future cost avoidance

## Safeguarding Families Together

**- £1.25m**

- Building on Dorset Children Thrive model, embedding specialist adult service workers alongside children's social workers – keeping children safe in the family home and whole family working
- Evidence based model – compelling evidence that it supports better outcomes for families, improves recruitment and retention and delivers cost reductions
- Future cost avoidance

## Birth to Settled Adulthood

**-£0.75m**

- Children and Adult Services have jointly agreed to establish this service – hosted in Children's Services
- Shared leadership and budgets from Adults' and Children's Services
- Careful joint work required to ensure appropriate budget to meet current and future demand and enable the model to achieve savings
- Anticipate savings from more effective joint planning of care and support and contributions from health



# Additional funding into Children's Services - £7.416m

Families First for Children –  
Pathfinder  
(DfE)

+£4.9m

Mockingbird  
(South West RIIA)

+£0.096m

Dorset Family Hubs  
(DfE)

+£1m

Sector-Led Improvement  
(DfE)

+£0.07m

Staying Close  
(DfE)

+£0.7m

Innovation Fund to Reduce  
Demand for Illicit Substances  
(NIHR)

+£0.2m

Family finding, befriending and  
mentoring programmes for  
children in care and care  
leavers  
(DfE)

+£0.38m

Fostering Recruitment  
(DfE)

+£0.07m

**Earlier help for children with SEND needs keeps more children in mainstream provision**

**More provision locally and closer to existing school bases keeps children in their community**

**Increasing our availability via Coombe House of local ISP**