

TRAFFORD COUNCIL

Report to: Executive
Date: 25th January 2021
Report for: Consideration
Report of: Scrutiny Committee Chair
Report Title

OVERVIEW AND SCRUTINY REVIEW OF THE EXECUTIVE'S DRAFT BUDGET PROPOSALS FOR 2021-2022

Summary

The Executive's Draft Budget Proposals for 2021-2022 were agreed at its meeting held on 12th October 2020.

Two Budget Scrutiny Working Group sessions were then held on the 1st and 3rd December 2020 with the relevant Executive Members and Senior Officers in attendance to address Members questions. Members were also provided with detailed background information on the budget proposals.

This report reflects the outcome of those discussions and summarises areas for the Executive's further consideration in developing its final proposals and response.

The pandemic has put financial pressures on the Council unlike at any other time in its history. Scrutiny recognises the efforts that have been made which have reduced the in-year deficit from around £26.1M in July 2020 to around £6.2M in November 2020. The financial pressures of COVID 19 will continue into the next financial year 2021/22 and Members requested that regular updates be provided to the Scrutiny Committee over the course of 2021/2022 municipal year.

Scrutiny Members endorsed the Budget Scrutiny Report for referral to the Executive for consideration at its meeting on 25th January 2021. The main areas of discussion from the sessions have been captured within this report along with the recommendations set out below.

Recommendation(s)

Scrutiny recommends:

1. That the Executive provide Scrutiny with an update on the in-year budget deficit and details of any contingency plans in place to address any shortfall in savings at its March 2021 meeting;
2. That the Executive provide Scrutiny with regular updates on the use of Budget Support Reserve at its meetings during 2021/22;
3. That a review of the Budget Scrutiny process be conducted during the wider review of scrutiny for 2021/22 and the outcome outlined in the annual scrutiny report to Full Council;
4. Following the service review of external placements for children and young people, the Executive report to Children and Young People's Scrutiny Committee of performance against targets to monitor the reduction of such placements;
5. That the Executive continue to strengthen training and support services for foster carers to reduce the number of placement breakdowns in 2021/22;
6. That a review into the effectiveness of surge planning for Healthy Young Minds (former CAMHS) services be conducted and reported to the Children and Young People's Scrutiny Committee using service waiting times as measure of effectiveness;
7. That Scrutiny be provided with the plans to stimulate the Trafford economy at its first meeting in 2021/22 and Scrutiny would welcome the opportunity to be involved in the planning and delivery of the Council Recovery Plan;
8. That Children and Young People's Scrutiny Committee receive a report on how the Voice of the Child and families' feedback is used to shape services;
9. That Scrutiny receive regular updates on performance against targets to monitor the activity of the new model for residential care.

Background Papers: None

Contact person for further information:

Name: Alexander Murray and Fabiola Fuschi, Governance Officers

BUDGET SCRUTINY REPORT – 2021/22

Foreword by the Chair of Scrutiny Committee

I welcome the opportunity for Scrutiny to review and comment on the draft proposals at an early stage. On behalf of Scrutiny Members, I would like to thank the Executive Members and Corporate Leadership Team for their commitment, help and contribution to our scrutiny of the draft budget proposals. I would also like to thank Scrutiny Members who played an important part in the process and whose contribution was invaluable.

Clearly the last year has been one like no other in the history of Trafford. The Pandemic has had a huge impact on the residents and businesses in Trafford, as it has on the rest of the UK and beyond. The concentration of the Council has rightly been on the wellbeing of our residents, communities and businesses to ensure they have stayed as safe as possible and have been supported physically and financially throughout these extreme times. There is no doubt this period has been a huge challenge for the Council, and particularly so for the Council's budget situation.

It is recognised that the financial situation for the Council has been, and still is, extremely challenging. However in these unprecedented times I would like to put on record my thanks to the Executive Members and Corporate Leadership Team for the work they have carried out during this very difficult period in managing the budget. I would also like to thank all the Council Staff, Partners, volunteers, and Council Members for the support and dedication they have all shown to Trafford residents and businesses throughout the Pandemic.

We hope that our Budget Scrutiny will contribute to the decision making process and in ensuring that robust measures are in place to manage the changes. We have identified areas where we feel that there are risks and we look forward to receiving details of how the Executive will address these. We will be following up on a number of areas in our work programme for the next municipal year.

Councillor David Acton

Chair, Scrutiny Committee.

December 2020

Background

The Chair of the Scrutiny Committee decided that due to the limited amount of time and resources available, as a result of the COVID 19 pandemic, the Budget Scrutiny sessions would focus on four key areas of the budget only. The first session looked at the Place Directorate, including the Investment Management Strategy, and a detailed breakdown of the Council's reserves. The second session consisted of budget challenges for Children's and Adult Directorates.

It was requested that for each area four slides be provided with a breakdown by department, the changes from the previous year, and significant challenges highlighted to the Scrutiny. The presentation was produced and circulated to Councillors along with a spreadsheet containing a breakdown of the Council's reserves on the 24th November 2020, which gave Members time to review the documents prior to the sessions and request additional information.

The following elected members took part in the sessions: Councillors Acton, Adshead, Akinola, Dr. Barclay, Blackburn, Boyes, Butt, Carter, Coggins, Cordingley, Dillon, Evans, Harding, Holden, Hynes, Jerrome, Lamb, Lloyd, Newgrosh, Thompson, J. Procter, S. Procter, Ross, Thompson, D. Western, Williams, Whyte and Winstanley.

Key Messages

Over the course of the two sessions there were a number of key themes, detailed below, which emerged as being of particular interest to Scrutiny Members.

2020/21 Funding Gap

Scrutiny recognised the exceptional work that has been done during the year to reduce the in year deficit from around £26.1M in July to around £6.2M in November. However, Scrutiny were concerned that there was still the possibility that the Council would have to use some of their reserves to plug this gap. At the meeting Scrutiny were informed the remaining in year deficit would be between £0.25 and £6.2M. Scrutiny requested an up to date in year gap be provided as part of the response to this report along with rationale for any possible variations in the amount.

Loss of income generation

Scrutiny were concerned by the impact the pandemic has had upon the Council's income generation. The Council has seen a reduction in Council Tax, Business Rates, income generating services, and returns on investments. Scrutiny were assured that there are positive signs this position will improve as discussions are ongoing with developers and the pandemic has seen opportunities for local economies. Scrutiny were informed during the session that at the end of the first lockdown local town centres recovered faster than larger city centres and it was believed that a similar trend would be seen after the second lockdown. Scrutiny asked what the Council were doing to stimulate the local economy and the Corporate Director of Place reassured

Members that the Council was actively working to aid the local economy to recover and listed some of the current projects. Scrutiny welcomed the response and would like to be provided with details of plans to stimulate the Trafford economy.

Use of Council Reserves

Scrutiny expressed concerns in relation to the level of reserves held by the Council. The impact of COVID 19 had led to the Council needing to use a higher level of reserves with the information provided showing that two thirds of the Council's reserves would be used over the next three years. The Director of Finance informed Scrutiny that there were longer term plans in place to replenish the reserves. However, it was felt that the Council's plans to use such a large amount of the reserves represented a substantial risk, especially as the Council would still be faced with £21.9M of budget pressures in 2021/22. Scrutiny were particularly concerned about the size and use of the budget support reserve over the next year with £15.1M being used to address the recurring COVID 19 pressures in 2021/22. It is understood that this position was a worst case scenario however, this figure represents roughly 16.5% of the Council's total reserves. Scrutiny felt that the use of such a large proportion of the Council's reserves in a single year needs to be monitored closely and would like to be kept informed of how this Council's reserves were used.

Place Directorate Savings

At the session Scrutiny were informed that there would be around £5.5M of savings generated from the Place Directorate during 2021/22 with £3M of those savings coming from the investment management fund. Scrutiny are concerned about the possible reduction in the rates of return from the Investment Management Fund during this time of economic downturn and the impact this will have on the Council's income. Out of the remaining £2M half was to come from the Amey contract and the rest coming from a number of areas including income generation from parking and planning fees. At the session the Corporate Director of Place assured Scrutiny that he was confident the directorate would achieve the savings targets projected. Scrutiny feel that given the level of uncertainty in the current economic climate it was possible that these targets would not be met and ask that the Executive provide details of any contingency plans in place to address any shortfall in savings.

Children's Services – efficiency savings

Scrutiny asked for greater detail with regard to the saving proposals. The Director of Children's Services responded outlining four main areas of savings. These were: 1) modernisation of Children's Services, how the service was organised, 2) reviewing management roles, 3) education and business system review, 4) proposal to remove the discretionary element of the Home to School Transport service.

Children's Services - workforce

Scrutiny acknowledged that the programme of change and redesign of Children's Services which had started in 2019 had proved even more complex due to the unexpected and additional challenges posed by the Covid-19 pandemic. However, members raised questions with regard to Transport Assistants and Independent Reviewing Officers posts and more in general whether, in the proposed redesign, the service would be adequately resourced. The Corporate Director of Children's Services responded that the proposed modelling focused on innovation, strengthening internal provision and investing in First Response to prevent children coming into care. The proposals were at consultation and engagement stage and the process was conducted according to the principles of equity, fairness and transparency. The Corporate Director reassured Scrutiny Members that the proposed redesign of Children's Services was fit for the future, taking into account volatility.

Children's Services – Home to School Transport

Scrutiny looked at the proposal to remove the discretionary element of the Home to School Transport service and asked how many pupils in Trafford would be affected by the proposal, apart from children with Special Educational Needs and Disabilities (SEND). The Corporate Director of Children's Services informed that, last year, 120 families qualified for the discretionary element of the service.

Children's Services – Healthy Young Minds (formerly CAMHS)

Scrutiny sought reassurance that all children and young people, experiencing difficulties with their mental health, were supported by the right services in a timely manner. The Corporate Director of Children's Services informed that the Council commissioned mental health services for children and young people. The service provider had to enact business contingency planning moving resources from the triage point to immediate response and high risk cases. Discussions were ongoing with Kooth and other providers on how to share the work.

Children Services – External Placements

Scrutiny sought clarification on the timeline to reduce reliance on external placements. The Corporate Director of Children's Services informed that every external placement was being reviewed. The number of children coming into care was being monitored to establish what was consistent and to plan for it, with the intention to maximise internal provision. This was a continuous process. However, the senior officer added that there might always be exceptional circumstances when it would be necessary to utilise an external placement.

Children's Services – foster carers recruitment and retention

Scrutiny sought clarification on the measures in place to recruit foster carers and to avoid placement breakdowns. The Corporate Director of Children's Services informed that the service looked at strong matches based on the right skills along with strengthened support meetings as a way to prevent placement breakdowns. Recruitment of new foster carers took place through dedicated marketing officers. However, responsive support services and modernisation were considered key in this process. Members received reassurance that unplanned move of foster placement figures in Trafford were very low. However, Members recommended that a lesson learned exercise and a robust process was in place to prevent unplanned move of foster placements. Members and officers agreed that word of mouth was a very effective way of recruiting new foster carers. Scrutiny also stressed that having a stronger foster care offer would reduce the need for external placements.

Children's Services – consultation – input from service users

Scrutiny sought clarification of the type of engagement and consultation carried on with service users with regard to the remodelling of Children's Services. The Corporate Director of Children's Services informed that a specialist agency had been used to engage with parents and carers, through "ideation" sessions, using empathy maps to understand what they thought of the new model for Children's Services. The input of schools was also sought and their unique contributions to support and care for children. The senior officer reassured members that this was the start of a conversation which would be ongoing.

Adult Services – Council's acquisition of two care homes

Scrutiny sought clarification on the potential income source linked to the Council's acquisition of two care homes. The Corporate Director for Adult Services explained that the forecasting showed a small saving which was offset by the enhanced quality of provision and bridged gap on specialist care for dementia and complexity of support.

Adult Services – stability of home care sector

Scrutiny sought clarification with regard to the pressure in the residential care sector and its contingency planning. The Corporate Director of Adult Services informed that the Council had in place a continuous and robust communication and performance monitoring plan for residential and nursing care settings. However, the occupancy levels were higher than expected. The Council funded an under occupancy payment at the beginning of the year. Currently, the Infection Control Grant Phase 2 was utilised to fund other costs that the care homes had to face and the Council was working with the providers to ensure that the funding was utilised with flexibility. Some care homes had to put in place their contingency plans and some of these looked at reducing staffing levels according to the decreased level of occupancy. The senior officer pointed out that the Fair Price for Care Consultation was particularly important this

year as an opportunity to maximise Council's support for the sector. The portfolio holder for Adult Social Care added that the Council was working with other organisations and partners across Greater Manchester to support the whole care market.

Adult Services – level of demand for adult social care due to Covid-19 and “long effects”

Scrutiny asked whether the service was expecting an increase in demand linked to the long effect of Covid-19 and, if so, which age groups would be more likely to be affected. The Corporate Director of Adult Services informed that the level of demand for adult social care services had been very low at the beginning of the year; this had been followed by an increase during the summer months and the forecast for the end of the financial year predicted a substantial increase, compared to the previous year, across all age groups. The senior officer informed that there was a significant increase in the request for mental health services, especially entry level primary care; families and carers of people with learning difficulties were negatively affected by the Covid-19 infection control measures in day provision and respite care. This would be an important data in redesigning those service provision and a consultation was ongoing. The portfolio holder for Adult Social Care highlighted the importance of the work of the Community Hubs to identify people who might need support at an early stage and stop the progression to a crisis through preventative offer, social prescribing and voluntary sectors. The portfolio holder added that ward councillors represented the link with partners and voluntary sectors to help social care.

Adult Services – Covid-19 vaccination programme

Scrutiny sought clarification with regard to the Covid-19 vaccination programme funding and whether this was provided nationally and how it would be rolled out to residential and nursing care settings in the Borough. The Corporate Director of Adult Services informed that the programme was funded by the Government. Two types of vaccines were available and logistic reasons would dictate which vaccine would be administered to which priority groups. Every care home would be a priority and a dedicated practice per each care home would ensure that the vaccine would be administered to all residents. All members of staff across social care and health services were also considered priority groups to receive the vaccination. The portfolio holder for Adult Social Care added that a fundamental part of the programme to roll out the vaccine was the public health messaging to encourage people to access it and the role of ward councillors to divulge the message amongst residents. The Council was working on accessibility issues, putting in place transport for those people who cannot travel independently. The Clinical Commissioning Group updated fortnightly the Trafford Covid-19 Public Engagement Board on the vaccination programme. Members of the scrutiny committee take this opportunity to thank Adult Social Care and Procurement for the positive feedback received from residential care homes for

the prompt and efficient provision of Personal Protection Equipment (PPE) in the Borough.