



## Budget and Finance Overview and Scrutiny Committee – Supplementary Agenda

**Monday 2 December 2013 at 7.00 pm**

Board Rooms 7 and 8 - Brent Civic Centre, Engineers Way, Wembley HA9 0FJ

### Membership:

#### Members

Councillors:

Hopkins (Chair)  
Kataria (Vice-Chair)  
Brown  
S Choudhary  
HB Patel  
RS Patel  
Ketan Sheth  
Van Kalwala

#### first alternates

Councillors:

Ashraf  
Harrison  
Green  
Chohan  
BM Patel  
Long  
Jones  
Allie

#### second alternates

Councillors:

Clues  
Hector  
Lorber  
Moloney  
HM Patel  
Oladapo  
Gladbaum  
Daly

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**The press and public are welcome to attend this meeting**

# Supplementary Agenda

Introductions, if appropriate.

Apologies for absence and clarification of alternate members

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<b>3 Minutes of the previous meeting held on 12 November 2013</b>	1 - 4

The minutes are attached.



- Please remember to **SWITCH OFF** your mobile phone during the meeting.
- The meeting room is accessible by lift and seats will be provided for members of the public.



## **MINUTES OF THE BUDGET AND FINANCE OVERVIEW AND SCRUTINY COMMITTEE** **Tuesday 12 November 2013 at 7.00 pm**

PRESENT: Councillor Hopkins (Chair), Councillor Kataria (Vice-Chair) and Councillors S Choudhary, HB Patel, RS Patel, Ketan Sheth and Van Kalwala

Also present: Councillors Butt and R Moher

### **1. Declarations of personal and prejudicial interests**

None declared.

### **2. Deputations (if any)**

None.

### **3. Minutes of the previous meeting**

RESOLVED:-

that the minutes of the previous meeting held on 8 October 2013 be approved as an accurate record of the meeting.

### **4. Matters arising**

None.

### **5. Adult Social Care**

Phil Porter, Interim Director of Adult Social Services gave a presentation highlighting the budget and pressures for Adult Social Services in the current and future years. He continued to give a brief overview of the service including the seven divisions within the service, net budget of £108.748m and 359 permanent FTE staff, noting that the service currently had 75 vacancies. It was clarified that the service did not have recruitment or retention problem and in the main related to normal staff turnover and will be addressed through ongoing recruitment.. The Interim Director of Adult Social Services informed the Committee of the current budget overspend of approximately £290,000, highlighting that they were in a similar position the previous year and noted that they were committed to the actions that would ensure it would be delivered on or under budget.

Phil Porter drew the Committee's attention to previous year's outturn figures, these years forecast figures and the current forecast variance for each budget line. During discussion it was clarified that £15.35m was spent on concessionary fares and although they did not administer the majority of freedom passes, it was agreed that the number of users for concessionary fares would be made available. The

savings for the past four years were explained with lower savings in 2013/14 than previous years, but greater savings in 2014/15 and 2015/16 will be required. It was noted that a large proportion of savings had been through the commissioning and procurement of services and by reducing the number of people supported by ensuring they were cared for in a community rather than residential care setting therefore achieving best value. In response to queries it was explained that although many elderly persons were unaware of their right to an attendance allowance, the Client Affairs and care management teams actively encouraged resident's to apply and offer assistance through contacting DWP. It was further clarified that the £17m public health grant from central government was ring fenced for predominantly sexual health and substance misuse issue with a strong preventative steer. It was felt there were few voluntary organisations which would be able to support the contracts however the wider scope of promoting healthier living by voluntary organisations would contribute indirectly. It was clarified that some of the contracts would be procured by Brent with others in partnership across London although for the first year many contracts would be rolled over from the NHS to ensure continuity of service and enable the Council to look to develop and renegotiate the service in subsequent years.

The Interim Director of Adult Social Services explained the unit cost trends for the various types of care options such as residential and domiciliary care, including forecasts for 2013/14 and changes in demand influencing costs. During discussion Phil Porter explained that although there was a constant dialogue with providers about cost and quality, the quality of service did not have a direct correlation with the cost of administering the service and the management of the service was as important. He felt that small care homes could still be viable, but it would depend on their financial model. It was explained that it was encouraged for residents to receive care at home for as long as possible so people stay independent, and this was also lower cost. He clarified once they were at the stage where nursing care was required the cost was much greater due to the higher level of complex needs. During discussions it was confirmed that the Council was currently working to secure accommodation for extra care and supported living, highlighting that this form of care was funded by the Council with recipient's accommodation being paid through housing benefit. Members expressed concern regarding social isolation and although recognised as a possibility, many supported living accommodations held regular activities where residents were often instrumental to the set up. It was recognised that due to a variety of complex needs, living in the community was not appropriate for all and suitable care was provided within a nursing setting. Issues of institutionalisation were being addressed with the hope of enabling persons to return to living in the community with the appropriate support with a collaborative approach being undertaken. The Interim Director of Adult Social Services highlighted that the detail of changes to Care and Support legislation to be implemented in April 2015 and April 2016 were still unknown although it was anticipated that it would place a strain on resources, due to a range of new rights and requirements. It was felt that the £72,000 cap could be misleading as it only covered the social care element of the costs , not accommodation costs. Therefore, people would be entitled to less from the Council than they might expect. It was clarified that financial checks would be undertaken and action pursued if it was thought a person had intentionally disposed of their assets to avoid later charges.

RESOLVED:

Members noted the presentation.

## 6. **Budget Update**

Mick Bowden, Operational Director of Finance provided the Committee with an overview of the medium term financial strategy, the 2014/15 budget, and the draft savings schedule for 2014/15. He drew members attention to the cumulative budget gap and that, in addition to the savings already within the medium term financial strategy, further savings of £10.5m had been identified.

Mick Bowden informed the Committee that a savings schedule had been drawn up to ensure a balanced budget was delivered. The savings had been identified from across the Council and included; £3.778m from Adult Social Care, £2.417m from Children and Families and £2.829m from Environment and Neighbourhoods. During discussion it was highlighted that delivering savings in the adult social care setting required a balancing act of ensuring quality of service whilst delivering savings. During queries regarding the London Living Wage, Phil Porter, Interim Director of Adult Social Services explained that work was currently being done to encourage persons to train as self employed carers and for the voluntary sector to offer NVQ training to help residents achieve the London Living Wage as well as addressing the shortage of personal carers in the Borough. In response to queries regarding elderly persons receiving help in exchange for accommodation in their house, Phil Porter explained that the scheme did come with high risks although if managed effectively could be highly successful. Mick Bowden highlighted that each section included current savings identified through the medium term financial strategy as well as new initiatives such as the restructure of middle management in children centres with potential savings of £442,000.

During discussion members queried whether reductions in relation to licensing fees had been implemented and what contingency arrangements would be in place should an emergency occur during the time when the control room is not open, the Operational Director of Finance agreed to follow up the query. In response to queries it was noted that it was still early days in terms of letting space and rooms at the Civic Centre and the Council was currently establishing its position in the market. Mick Bowden agreed to feedback further information regarding the approach undertaken by CAPITA with regard to business rate arrears and what work had been taken to address the issue in relation to members' queries. Members discussed the impact of using less experienced barristers and felt the wording should be amended to 'cost effective barristers'. Members queried the reduction in Council led events and whether other organisations or funding was able to ensure the continuation of events and it was confirmed that the events team were exploring all avenues.

The Committee highlighted that they had previously requested information on radical ideas in relation to savings and noted that the current thinking offered a safe approach. Mick Bowden concluded that the savings currently offered enabled a balanced budget to be drafted early enabling time to generate radical solutions to address future budget pressures.

RESOLVED:

Members noted the update.

7. **Work Programme 2013/14**

RESOLVED:

Members noted the work programme.

8. **Any other urgent business**

None.

9. **Date of Next Meeting**

The meeting closed at 8.40 pm

A HOPKINS  
Chair