

SCRUTINY MANAGEMENT PANEL

MINUTES OF THE MEETING of the Scrutiny Management Panel held on 6 December 2011 at 4.30 pm in Conference Room A, Floor 2, Civic Offices, Portsmouth.

(NB These minutes should be read in conjunction with the agenda for the meeting, which can be viewed at www.portsmouth.gov.uk.)

Present

Councillor Michael Andrewes (Chair)
Councillor Jim Patey (Vice-Chair)
Councillor Margaret Adair
Councillor Peter Eddis
Councillor David Fuller
Councillor Terry Hall
Councillor Caroline Scott
Councillor Ken Ellcome
Councillor Steve Wemyss
Councillor James Williams

Officers

Mr David Williams, Chief Executive
Ms Margaret Geary, Strategic Director
Mr M Lawther, Strategic Director, City Solicitor and
Section 151 Officer
Ms K Wadsworth, Strategic Director
Mr Julian Wooster, Strategic Director

20 Apologies for Absence (AI 1)

There were no apologies for absence but Councillor Wemyss sent apologies that he would be late.

Councillors Patey and Fuller apologised that they may have to leave the meeting before it finished. Ms M Geary said that she would also have to leave the meeting early.

21 Declarations of Members' Interests (AI 2)

Councillor David Fuller declared a personal, non-prejudicial interest in that he manages a care home in the city.

Councillors David Fuller and Ken Ellcome declared personal, non-prejudicial interests as they are both on the Planning Committee.

22 Minutes of the Meeting held on 13 September 2011 (AI 3)

The minutes of the Scrutiny Management Panel meeting held on 13 September 2011 were agreed.

RESOLVED that the minutes of the meeting held on 13 September 2011 be confirmed and signed by the chair as a correct record.

23 Presentation by Chief Executive and Strategic Directors on Priorities over the next 12 months

(TAKE IN PRESENTATION)

The chair of the panel, Councillor Michael Andrewes, thanked the Chief Executive and Strategic Directors for giving up their time to attend this meeting. He explained that the Scrutiny Management Panel was interested in issues that would be facing Portsmouth in the next 12 months with a view to the scrutiny panels assisting in any way they could for those living and working in the city. He explained that the Scrutiny Management Panel had in the past tried to formulate suitable review topics from the forward plan but that this was not allowing input from the scrutiny panels at an early enough stage to make a difference. He further explained that scrutiny was looking to have a proactive role in the formulation of policy.

The Chief Executive, Mr David Williams, said that he hoped that the presentation would give members a perspective on the phenomenal amount of change that would be occurring over the next 12 to 24 months. Changes were as a result of turbulence in the economy and the very extensive legislative programme that the government was introducing.

A framework for action was necessary in order

- (1) to prepare the city to withstand the impact of the recession and be positioned to take full advantage of the recovery – shaping the future of Portsmouth
- (2) to focus the energies of the council and its partners on measures to address inequalities and raise standards – for example, joint strategic needs assessment, anti-poverty strategy; children’s trust plan; integrated commissioning and
- (3) to transform the cost base and the operation of the council – shaping our future.

Basically, the city council’s aim is to shield the city and its residents from the impact of the downturn in the economy and to do the best it can to continue to provide the best possible services for residents.

Ms Kathy Wadsworth was then invited to give her presentation.

Ms Wadsworth explained that she is the Strategic Director responsible for the regeneration strategy. There is an overarching strategy and a link to the Partnership for Urban South Hampshire (PUSH) and the Solent Local Enterprise Partnership (LEP).

Ms Wadsworth explained that economic growth needs to be sustainable. She said that there were very strong relationships between public and private partnerships and that a strategy for the future of Portsmouth had been finalised.

Ms Wadsworth said that there was a need to raise the educational attainment of children in the city in order to fulfil the skills need.

One of the problems in Portsmouth was the lack of space which was consequently at a premium. There was a need for a mix of housing and employment opportunities. There was a need for an excellent city centre to attract investment and to draw in people from the surrounding area in order to boost economic growth. Ms Wadsworth said that an amount of £20 million had been released for Tipner road junction which was excellent news and that following this there were four planning applications being considered for the Tipner area later in the week.

Ms Wadsworth said that key sites in the city were Tipner, the city centre and Dunsbury Hill Farm site. She went on to explain that the Dunsbury Hill Farm site was landlocked but that a planning application would be submitted before Christmas 2011 which may lead to the site being opened up which would create jobs.

With regard to the city centre, Centros was still interested in developing the city centre and proposals would be going to the Cabinet and full Council in January with a view to more formal proposals being brought at the end of 2012 and if that occurred it would be possible for the redevelopment of the city centre to be completed by 2017/18. In connection with this there would be a need to build a new road. A great deal of further work needs to be done on this but it was an exciting project.

Ms Wadsworth then mentioned the funding arrangements in connection with regeneration. There had been excellent buy-in from the private sector in particular the business leaders' group. An anniversary event had been arranged where 200 people had confirmed attendance and speakers included Mike Hancock CBE MP and Councillor Gerald Vernon-Jackson, the Leader of the City Council.

Shaping the future of Portsmouth was the strategy for economic growth and prosperity which had inspired the formation of a broad coalition of businesses and had re-energised the regeneration in the city.

In response to questions the following points were clarified:

- There were major transport issues regarding redevelopment but plans were in place to address these issues.
- It was acknowledged that more could be done to encourage cycling in the city and again there were plans to improve the situation.

- With regard to the proposed park and rail scheme, there were some outline plans but this may depend on the success of a European bid. Progress on this was slower than had been hoped.
- A £5 million bid was due to be made in the next year to the local sustainable transport fund. The Chief Executive said that a transport for South Hampshire bid was also being made and if successful this would benefit all bus operators.
- With regard to the Tipner site this was split by the motorway. Applications for the part of the site which was east of the motorway would be mainly housing and the part of the site which was to the west of the motorway would be the employment generating type development. There was a park and ride scheme proposed for phase 1 which would be for 800 cars and there was also a proposal for a multi-storey car park which would provide further parking. However the planning applications for these had not yet been submitted.
- In response to a query about revamping the city centre Ms Wadsworth said that following redevelopment it was estimated that the city centre would jump from being positioned at 134 to about 30. The land values in the city were very attractive to developers. Proposals were at an early stage and it was important that a quality development was achieved.

Ms Margaret Geary then gave her part of the presentation. Ms Geary said that there were very significant issues to be addressed in the city. The panel was advised that three major issues for the next 12 to 24 months were the joint strategic needs assessment, the anti-poverty strategy and the results of welfare reforms.

- In 2009 Portsmouth was assessed as being 302nd out of 354 in terms of the worst areas for children's wellbeing.
- One in four people over 65 in the city has no central heating.
- There is a fuel poverty issue in the city.
- Over one third of the housing in the city fails to meet the decent homes standard.
- Life expectancy in the city is low as compared to other areas.
- Portsmouth vies with Southampton as having the highest level of debt in the south east.
- The food bank is the ninth busiest in terms of take-up of those areas which provide them.

Welfare Reform Bill

The welfare reform bill will bring in a number of changes.

- There are a number of changes to Housing Benefit. One of the major changes is that single people under-35 (as opposed to under-25 at the moment) will only be able to claim benefit based on the Local Housing Allowance for a shared room as opposed to a one bedroom property.
- It will no longer be allowable to pay the social landlord direct so money will be given to the tenants to take responsibility for money themselves. This is likely to mean that rent arrears will increase.
- 50% of those currently claiming disability allowances will no longer be eligible.
- It is expected that the number of people struggling to keep their accommodation will rise and that the increased pressure on finances could lead to a greater dependency on loan sharks.

PCC is looking at measures to alleviate these problems. Initiatives include:

- Children's centre work – perhaps putting staff in places where parents with under 5s are likely to visit.
- Looking at advice services.
- Arranging roadshows to show people how they can maximise income to include advice to people who may be unaware that they can claim assistance in certain circumstances.

With regard to social care, because of the squeeze on budgets, PCC in common with many local authorities can only afford to pay the minimum for social care.

In response to questions the following points were clarified:

- Because of the recent demise of Southern Cross who owned many care homes up and down the country, local care homes have been looked at. The Chief Executive said that it was important that private sector initiatives such as running care homes are very important as if they could no longer cope, the onus would then fall on local authorities to ensure the care of the elderly.
- Lessons were being learnt from the problems with Winterbourne on those with learning disabilities.
- With regard to Mid-Staffordshire Hospital, this failed owing to problems of over-regulation and concentrating on indicators and targets. Those targets are still in existence and Mid-Staffordshire is probably not an isolated case.

Safeguarding is another issue of great importance. PCC used to have nine nursing homes but this has reduced to seven. PCC has built a new dimension nursing home. The panel heard that much work has been done around safeguarding and PCC is very vigilant. Councillor Fuller said that in his experience there has been a big change in safeguarding – the training given seems to be much better. Ms Geary said that PCC is doing its best to support independence by giving people more control over what is being provided.

With regard to integrated commissioning, there is a great need to join up commissioning as sometimes people experience many different assessments before actually being helped.

Under the Health & Social Care bill there seemed to be an attempt to shift resources from hospitals' acute care to community care. Locally four PCTs have combined to form the SHIP (Southampton, Hampshire, Isle of Wight and Portsmouth) cluster which acts as a commissioning support organisation for GPs.

Foundation trusts are given more freedom so all health providers are trying to be awarded foundation trust status.

There is a transfer of public health responsibility to local authorities but the allocation of funding to support this is probably less than it has been to date. The Health Overview & Scrutiny Panel (HOSP) has a serious role to play in all this in that all the systems need to be scrutinised.

In response to a question Ms Geary said that although Portsmouth PCT has not yet signed up to Somerstown Hub, it was very likely that it will do so and this should happen in January 2012.

In response to a question about the SHIP cluster, concern was raised that a major problem with this is that 75% of the SHIP has catchment areas feeding into Southampton and only 25% feeding into Portsmouth. Concern was expressed that already it seemed to be apparent that there was going to be a bias towards what Southampton wanted. Ms Geary said that a good proportion of people in the SHIP cluster were Portsmouth based.

Ms Geary stressed the need for strong health and wellbeing boards and said that GPs were very firmly Portsmouth based and interested in making these successful. The Chief Executive said that the key to our future was to understand the importance of relationships forged with others and that this would ensure that we influence outcomes.

In response to questions the following points were clarified:

- The nine nursing homes reduced to seven because two were closed owing to safeguarding issues. There was also a need not to oversupply as if this happened people from outside the area would come into the city and the cost of these places would transfer to PCC.

Mr Julian Wooster, Strategic Director then gave his part of the presentation on children's services. Mr Wooster said that of the approximately £140 million that was available to the city council, £100 million of this goes directly to schools which left £40 million for the city council to allocate. He suggested that there were a number of government programmes that the scrutiny panels may wish to explore for example payment by results. Mr Wooster said that there was a capacity issue and there was a need to target resources effectively. With regard to the priorities over the next 12 to 24 months these were

- (a) identification, assessment and support for families from pregnancy through to school age
- (b) effective multi-agency intervention for target families with multiple problems – there are a number of discrete services all over the city and there is a need to bring these together in order to improve efficiency and effectiveness.
- (c) to support more schools to be good and outstanding – this is necessary if the city is to get where it wants to be. PCC is not necessarily competing just with other areas of the county but also with places overseas such as Delhi.
- (d) Targeted Supported for Children & Young People who demonstrate behaviours that may put them at risk.
- (e) excellent safeguarding and early intervention practices, processes and procedures.
- (f) improving outcomes for looked after children.
- (g) improving service delivery for children with disabilities.

During discussion the following points were made:

- There is a concern that government changes to housing benefit may result in more facilities having greater needs resulting in greater pressure on PCC's services and resources;
- There is a need to create a local workforce with the skills that match the requirements of local employers.
- There is a need to retain employees in the city – often they are training in Portsmouth but move elsewhere as other places are able to pay more money.

- There appears to be nothing wrong with the intellectual ability of children in Portsmouth as they perform equally well with those in other areas up to the age of five. After that attainment levels decline. This seems to be a result of lack of aspiration and motivation as other areas in similar circumstances to Portsmouth such as Knowsley near Liverpool have almost exactly similar problems but are still performing better than Portsmouth. In addition children perform better in schools run by our statistical neighbours.

Mr Julian Wooster said that although there had been progress in attainment levels, the improvement needed by PCC is very marked and we should consider why others in similar situations are doing better than we are. There are problems at the moment in that university fees are high, EMA has been removed, there is record unemployment among 18-24 year olds including those with degrees. It may be that Portsmouth should give much more publicity to businesses such as IBM and Astra rather than the more traditional images of the Dockyard.

Mr Michael Lawther, Strategic Director, City Solicitor and Section 151 Officer then gave his part of the presentation. He explained to the panel that much change will be necessitated as a result of the Localism Act 2011.

Standards Board for England would be abolished although there is still a requirement for local authorities to have their own codes of conduct. Decisions will have to be taken as to what would happen to a member who did not comply with that code and members could influence the complaints procedure. One major change is that if a member does not declare a financial interest under the conditions defined in the act, this may now be a criminal offence .

The Localism Act clarifies the common law on “predetermination” for members on the planning committee. The clarified rules on predetermination still require a planning committee member to have an open mind when determining a planning application. However, for example, proof of previous campaigning against a proposed planning application would not now be proof that the member had a closed mind.

There will also be a community right to challenge which will give voluntary groups the opportunity to bid for and possibly take over services which are currently provided by the council.

There will also be a community right to bid which gives the opportunity to local people to bid to acquire a PCC owned asset for example a library or a museum.

The Localism Act permits changes in democratic processes and could result in scrutiny being curtailed and a move to a different type of governance for example a committee system. Again these provisions are not yet operative so not much information is available at present.

More information will be made available about changes resulting from the Localism Act over the next few months.

The Chief Executive then explained the budget cuts target and the transformation programme. Basically PCC is looking to save £45 million in revenue over the next three years. In February each year the medium term revenue strategy is agreed and this will be £8 million for 2012/13, £7 million the year after that and a further £7 million the year after that. The Chief Executive said that this represented a significant amount of money. He went on to say that a further amount of money had to be saved after the current financial settlement and that we would have to take further action to deliver these savings.

In order to limit the cuts as far as it was possible to do so, greater efficiency and effectiveness as an organisation would be necessary. As a result of this the transformation programme was brought into being which had at its heart the guiding principles as set out in the attached presentation. The Chief Executive then referred to the last page of the presentation headed Current Position – Savings. He said that customer management was all about streamlining processes. New technology could help with this although it was recognised that many customers would still need to have a face to face service.

With regard to commissioning and procurement, this was a very competitive market and significant savings could be made.

A better performing workforce will lead to greater efficiencies and this is being delivered by more direct involvement by managers for example with initiatives such as HR self-serve so that managers would for example enter sickness absence themselves rather than sending it to a centralised HR team.

With regard to income generation, this could perhaps be delivered by greater advertising and by granting more concessions.

With regard to property and assets, there is a plan to move more people into the Civic Offices enabling previous occupied premises to be sold or at the very least savings could be made by not having to heat and light them.

During discussion the following points were clarified:

- Prioritising conflicting needs was a very important part of making savings but difficult choices had to be made. The Chief Executive said that it was important to have clarity so communication was very important so that people could understand why decisions were being made.
- The Chief Executive said that over 400 responses had been made to a request for staff to make suggestions on how money could be saved and that the Cabinet is currently looking at these.
- The Chief Executive said that it was very difficult against the background of restraints on pay to motivate the staff but that good communication was vital. It was still difficult to attract staff in some areas and some market supplements were still being paid in order to meet the need.

- It was suggested that perhaps the queries and responses concerning savings that came to City Helpdesk could be captured. The Chief Executive said that there had been very little response from the public as to how PCC could save money.

Councillor Andrewes thanked the Chief Executive and the Strategic Directors for their presentation and said that he had noted some areas where scrutiny could perhaps be usefully involved. (see the attached appendix)

24 Work Programme 2011/2012 (AI 5)

The panel had a discussion around possible new topics for review and decided that the website for PCC should be looked at as a matter of urgency.

RESOLVED that the Scrutiny Management Panel ask Louise Wilders to provide an outline on progress towards revamping the PCC website and to bring a report to the next meeting of Scrutiny Management Panel.

25 Frequency and Format of Future Meetings (AI 6)

The panel agreed the frequency of future meetings.

RESOLVED that the Scrutiny Management Panel meet approximately every seven to eight weeks.

26 Date of Next Meeting (AI 7)

The date of the next meeting was confirmed as being Tuesday 31 January at 4.30 pm.

VJP/DMF
14 December 2011
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