

## HEALTH AND PARTNERSHIPS SCRUTINY COMMITTEE

8<sup>th</sup> January, 2014

**PRESENT** – Councillor Newall (in the Chair); Councillors Donoghue, Francis, Macnab, Nutt, Regan and J. Taylor. (7)

**APOLOGIES** – Councillors E. A. Richmond, S. Richmond and H. Scott. (3)

**ABSENT** – Councillors I. Haszeldine. (1)

**OFFICERS IN ATTENDANCE** – Sharon Raine, Head of Organisational Planning, Ken Ross, Public Health Principal and Catherine Whitehead, Assistant Director – Resources Group.

**EXTERNAL REPRESENTATIVES** – Edmund Lovell, Associate Director of Marketing and Communications, County Durham and Darlington NHS Foundation Trust, Cath Lane, GOLD and Ian Groves, HealthWatch Board Member.

**HP42. DECLARATION OF INTERESTS** – Councillor Newall declared a non-pecuniary interest as a Chair of Darlington Citizens' Advice Bureau and Councillor Macnab declared a non-pecuniary interest as a member of the Board of Darlington Citizens' Advice Bureau.

**HP43. MEDIUM TERM FINANCIAL PLAN 2014/15 – 2019/20** – Submitted – A report (previously circulated) of the Chief Officers Executive which had been considered by Cabinet, at its meeting held on 13<sup>th</sup> November, 2013, proposing a Medium-Term Financial Plan for 2014/15 to 2019/20 for public consultation.

The submitted report stated that, if approved, the Plan would put in place a two year sustainable plan together with proposals that would significantly contribute to bridging the budget gap in years three and beyond and would give the Council, its partners and the public, the opportunity to test out new approaches and build learning and capacity to deliver financial sustainability beyond 2016/17.

Particular reference was made to the use of reserves over the next two to three years to bridge the budget deficit and it was highlighted that the Council was carrying a very significant risk in terms of the need to reduce expenditure and that it was essential that cost reductions were delivered on time so that the level of reserves did not become inadequate in future years. It was reported that there were options available if the proposals were not achieved to further reduce expenditure by looking at the future provision of discretionary services which, at this point, it was still proposed to retain if the proposals were not achieved, however, Officers were optimistic that the proposals would be achieved and there was a clear intention and vision to ensure they were, however, it was requested that Scrutiny Committees, as part of their work programmes, look and highlight any additional potential areas which could be identified to bridge the gap from 2016/17 and beyond and the vigorous and pro-active approach needed by this Scrutiny Committee to support the implementation.

The Assistant Director – Resources Group made reference to the three building blocks of Building Strong Communities, Spending Wisely and a Growing Economy and

Members particularly discussed the changing role of Councillors in assisting with Building Strong Communities and some of the difficulties which might be encountered in particular Wards and communities in taking forward community leadership and ownership and how Officers could support them in that changing role. Members shared their experiences within their Wards and expressed frustrations about the level of community involvement regardless of the activities or events facilitated within the Wards.

Reference was made to the involvement of all of the Scrutiny Committees in looking at specific areas within their individual remits and it was reported that the findings following any work would be reported back to a special meeting of this Scrutiny Committee to co-ordinate a response to Cabinet and they particularly discussed the role of this Scrutiny Committee in formulating an early view on the strategy and the direction of travel; the use of reserves and the risks over the next two-year period.

The Assistant Director highlighted the proposals in relation to the Voluntary Sector and in particular the Strategic Grants following the Scrutiny Committees' recent Task and Finish Group work on this. It was explained that the budget for the Strategic Grants was proposed to be reduced for 2015/16 and completely phased out by 2016/17. In the meantime, Officers would continue to work with the Voluntary Sector to look at working differently, providing value for money, identifying new funding sources and identifying effective ways of reducing costs for the sector and the Council. Members welcomed this approach and were particularly keen to be kept informed about the work being undertaken with the infrastructure organisation. The Assistant Director agreed to report of the outcome of that work to the Scrutiny Committee in March 2014 and share with Members any further reviews or proposals as things developed.

The Head of Organisational Planning (OP) tabled the current feedback received from the public consultation on the budget proposals with closes on Friday, 10<sup>th</sup> January 2014. Members noted that there had been 167 responses received to date and that a full analysis of the responses would be carried out after the consultation had closed and shared with Members. The highest percentages of responses in support of the proposals were in relation to restructuring the Council's workforce, reshaping services at the Dolphin Centre and Eastbourne Sports Complex and CCTV. The highest percentage of responses not in support of the proposals related to reducing the hours at Crown Street Library, increasing the Council Tax to two per cent and increasing the Council Tax to above two per cent.

Members expressed disappointment at low level of responses and felt that it would be difficult to analyse and gage a full picture of the feeling across the Borough. The Head of OP agreed advising that it provided a sense of the feeling of some residents and that there were no surprises in relation to the Council Tax proposals. She added that the consultation was advertised on the Council's website, social media, Facebook and Twitter and in Darlington Together; and that the consultation went live immediately after the Cabinet meeting in November 2013 and has ran for eight weeks.

The Public Health Principal reported that the Council receives a grant of £6.989m rising to £7.184m in 2014/15 to fund Public Health. With the responsibility for public health being transferred to Local Authorities on 1 April 2013 the Council inherited commitments against the grant. A full review of how the public health grant is used to achieve the wider determinants of health is being undertaken against the background of

the changing face of public services and funding. The proposal anticipated that the grant would be used to commission services in different ways including the use of in-house Council services where these, such as sports facilities, which make a vital contribution to improving health. Members supported the two year sustainable plan in place and acknowledged that the proposals would significantly contribute to bridging the budget gap in years three and beyond, while noting that the best financial projections show that the Council will need to deliver either more income or further expenditure reduction by 2016/17. The next two years give the Council, its partners and the public the opportunity to test out new approaches and build learning and capacity to deliver financial sustainability beyond 2016/17.

The Associate Director of Marketing and Communications, County Durham and Darlington NHS Foundation Trust addressed the meeting advising that the Trust recognised the Councils position of an exceptionally challenging budget. He acknowledged the difficulties of meeting an increased demand and cost while funding sources have flat lined. The Trust are in a similar position and draw similarities from the Council's budget in terms of associated risks, vulnerable people falling through gaps and unintended consequences with Adult Social Care, Children Social Care, Public health re-commissioning of services and the Integrated Transformation Fund. It was appreciated that joint working and planning was required with all partners to address the challenges together.

The Chair acknowledged the comments and added that she believed that the Scrutiny Committee has demonstrated with the work undertaken and briefings the benefits and support to working in partnerships with all of the NHS partners.

#### **RESOLVED –**

- a) That the proposals in the Medium Term Financial Plan (MTFP) 2014/15 to 2019/20 in relation to this Scrutiny Committee's remit be noted.
- b) That the Scrutiny Committee welcomes that ethos of Building Strong Communities, Spending Wisely and a Growing Economy evident throughout the MTFP proposals.
- c) That the final analysis of the consultation outcome be shared with Members and that any further scrutiny be undertaken as necessary.
- d) That the outcome of the work with the infrastructure organisation be reported to the Scrutiny Committee in March 2014 and any further reviews or proposals be shared with members as things develop.
- e) That the Scrutiny Committee continues to support partnership working with local NHS organisation and this Council to provide the best health services from the residents of Darlington.