

**MINUTES of the meeting of Strategic Monitoring Committee held at The Council Chamber, Brockington, 35 Hafod Road, Hereford on Monday 19 October 2009 at 9.30 am**

**Present:** Councillor PJ Edwards (Chairman)  
Councillor WLS Bowen (Vice Chairman)

Councillors: PA Andrews, ME Cooper, AE Gray, KG Grumbley, TM James, RI Matthews, PM Morgan and AT Oliver

**In attendance:** None

**19. APOLOGIES FOR ABSENCE**

Apologies were received from Councillor PJ Watts. Apologies were also received from Councillor JP French (Cabinet Member – Corporate and Customer Services and Human Resources.)

**20. DECLARATIONS OF INTEREST**

The following declarations of interest were made:

Name	item	Interest
Councillor ME Cooper	5- Evaluation of the extra care facility known as the Rose Gardens, Ledbury Road, Hereford	Personal: Council's nominee to Elgar Housing Association
Councillor AE Gray	5- Evaluation of the extra care facility known as the Rose Gardens, Ledbury Road, Hereford	Personal: Council's nominee to Herefordshire Housing Association
	7 – Budget Monitoring Report	Personal – provider of care

**21. MINUTES**

**RESOLVED:** That the Minutes of the meeting held on 21 September 2009 be confirmed as a correct record and signed by the Chairman

**22. SUGGESTIONS FROM MEMBERS OF THE PUBLIC ON ISSUES FOR FUTURE SCRUTINY**

There were no suggestions from members of the public.

**23. EVALUATION OF THE EXTRA CARE FACILITY KNOWN AS THE ROSE GARDENS, LEDBURY ROAD, HEREFORD**

*(Councillors ME Cooper and AE Gray declared personal interests.)*

The Committee considered the financing of the first extra care housing provision at Rose Gardens, Hereford following its completion and occupation during 2008/09.

The report had been requested by the Committee in March 2008 in considering the Draft Corporate Plan and the priority of achieving value for money. Concern was expressed about the scheme's value for money and a report requested reviewing this and whether there were any lessons to be learned for future schemes.

The Head of Strategic Housing presented the report. He explained that the report had been produced on the virtual finalisation of the 2008/09 accounts, which had been subject to delay for contractual reasons.

He outlined the strategic rationale for the project, commenting that an inspection by the former Commission for Social Care had described the service as a two star, good service. The first residents' satisfaction survey had supported the quality of services, facilities and care provision. He highlighted the following points:

- The Department of Health's (DoH) financial contribution to the scheme had been the highest grant award announced within the first round of funding programmes. The bid had been assessed under the financial regulations of the then Housing Corporation to ensure that it represented value for money.
- Subsidy in the form of DoH grant and other private/public subsidy had enabled the development of a high quality scheme with affordable rent levels.
- The extra care provision represented a significant saving to the Council compared with the costs of residential care. Residents were also eligible for benefits to which they were not entitled if they were in residential care.
- A number of residents had reduced their support needs since the Scheme had opened. At the moment it was hard to quantify the improved health and well-being costs to Adult Social Care and the Primary Care Trust. However, the Extra Care Charitable Trust had advised that the annual well-being check suggested a 4% improvement across the Scheme.
- A number of lessons had been learned as described in the report at paragraphs 40-43. The overall assessment was that the scheme was beneficial to the residents and provided significant financial benefits to the Council compared with the provision of residential care. However, further work needed to be done to evaluate the comparability of care levels in the extra care scheme to care levels in residential homes. The view was that further extra care provision should form part of future care provision, the question was to what extent this should be the case.

He commented that the Chairman of the Rose Gardens Residents Association, who was present, had raised some questions relating to management issues to which it had been mutually agreed a written answer would be given.

In discussion the following principal points were made:

- The principal concern was that there was a clear need for extra care provision within the County. However, the cost of the scheme at Rose Gardens, which was recognised as a good quality scheme, was prohibitive. The cost per unit was higher than the cost of an equivalently sized house. The state of the public finances was such that similar schemes would be unlikely to be affordable. It was suggested that the private sector could have completed the building at a substantially lower cost.

A more imaginative approach was therefore required, for example involving the Council identifying sites with input from the Planning Service, with development of the sites then being carried out by the private sector.

The Head of Strategic Housing commented that in seeking to compare the cost per unit with the cost of general housing it was important to recognise the extensive facilities provided at Rose Gardens in what was in effect a village. The quality of provision at Rose Gardens matched private sector provision for this type of scheme. However, private sector schemes of that quality were not accessible to many Herefordshire residents. The Rose Garden Scheme had provided access to extra care for people who would not otherwise have been able to afford it and in so doing freed up affordable housing units in the County.

He acknowledged that the Scheme had been one of the earliest to be developed and reflected the best model at the time. However, as the sector expanded across the Country it was possible that other models would emerge.

The Associate Director of Integrated Commissioning added that from a commissioning perspective consideration needed to be given to ensuring that provision could meet the needs of the growing numbers of elderly people with dementia and the increasing numbers of people with learning disabilities who would require such care.

- The report stated that in the initial allocation 12 of the apartments had been allocated to people who were living outside the County, but had a local connection. It was requested that clarification be provided on the criteria governing the allocation of units to out of County residents.
- A question was asked about the PCT's financial contribution to fund continuing health care in the community. The Associate Director of Integrated Commissioning commented that the eligibility criteria were tightly drawn. New Regulations had recently been published and the service was exploring these to see what level of nursing care could be provided. Extra Care provision was a good setting in which to provide such care if it could be financed.
- It was noted that one resident had rated the experience of living at Rose Gardens as poor and it was requested that further information be circulated to Members of the Committee if it were available.
- The Head of Strategic Housing agreed to provide a written answer to a question about the contribution of S106 monies to the Scheme.
- Asked to clarify what issues had been raised by the Residents Association, the Head of Strategic Housing commented that these related principally to car parking management. He added that whilst the Strategic Housing Service maintained an interest in the scheme, Elgar Housing Association was responsible for its management.

The Chairman of the Residents' Association was invited to comment on the discussion as a whole and focused on parking provision, clarifying that the nature of the problem was that whilst there were sufficient spaces for those residents with cars there were no designated spaces. Spaces were being used by the general public who had no connection with the property or reason for visiting it.

It was noted that there were 49 parking spaces and currently 30 residents had cars. Whilst acknowledging that there were limitations on the amount of parking that could reasonably be provided at developments of this kind it was proposed that officers

should give further thought to car parking need through the Local Development Framework process.

**RESOLVED:**

- That
- (a) **the success of the Rose Garden extra care scheme was welcomed but in view of the overall cost of the scheme and the uncertainty over the availability of public funding in future it be recommended that alternative models for future cost effective delivery of these much needed developments be investigated; and**
  - (b) **the appropriate level of parking provision for developments of this type be revisited through the Local Development Framework process.**

**24. INTEGRATED CORPORATE PERFORMANCE REPORT**

The Committee considered performance for the period April-June 2009-10 against the Council's key indicators and associated projects and programmes in its Annual Operating Statement.

The report to Cabinet on 24 September 2009 was appended.

The Corporate Policy and Research Manager (CPRM) presented the report. He commented that this was the first time the Committee had received the performance report in its new format and would welcome any observations the Committee might have on that.

He highlighted the following points:

- That, on the basis of provisional figures to the end of September, progress against target NI 59 (initial assessments for children's' social care carried out within seven working days of referral) was now ahead of target.
- In relation to health and wellbeing target NI 131 (delayed transfers of care from hospitals) he drew attention to an addendum to the report which explained that the figure reported was lower than that which should have been reported. The correct figure suggested a deterioration in performance rather than an improvement. However, the method of calculation used to date by hospital staff, who were responsible for reporting the figure, was incorrect and over-stated the extent of delayed transfers in the County compared with other authorities. The method of calculating the target had now been corrected by agreement, the impact of which would be able to be judged in future reports.
- That whilst performance was behind target in relation to NI 130 (clients receiving self-directed support) and NI136 people supported to live independently a significant amount of work had been carried out, which was expected to lead to improved performance during the year. The position in respect of NI 130 was complicated by it comprising two different measures: individualised budgets and direct payments. In respect of individualised budgets the Council's performance was comparable with that nationally. As regards direct payments previous performance had not been so good and was now impacting negatively on the combined figures. The Associate Director of Integrated Commissioning said there were signs that the Government might be reviewing expectations in the light of the emerging financial implications.
- The latest figures showed a slight improvement in the number of households in temporary accommodation compared with the end of first quarter position.

In discussion the following principal points were made (page references are to pages in the agenda):

- It was suggested that the key to the appendices to the report should be moved from the back of the appendices to the front.
- That the Cabinet report should make it clearer that the priorities, targets and commitments in the report in many cases depended on contributions from the Council's partners.
- There had been an increase in the number of people killed and injured in road accidents during the first quarter. It was noted that the Environment Scrutiny Committee was due to receive a report on this matter at its next meeting. The Committee expected this to include information about the age groups involved, the times at which accidents occurred and the role and working hours of the relevant preventative team.
- Concern was expressed about the decline in performance against target NI 73 (achievement in English and Maths at Key Stage 2 level 4). The CPRM commented that the service was exploring the reasons and developing an improvement plan.
- Concern was expressed that Cabinet had not considered the performance report, which covered the period from 1 April to 30 June until its meeting on 24 September. Following the decision that the Committee would not see the performance reports until they had been considered by Cabinet, this delay in considering the report impacted on the Committee's ability to make a meaningful contribution to the discussion of performance. The CPRM commented that the Joint Management Team would in future receive monthly reports and that the quarterly reports for Cabinet would continue to be prepared so they were normally ready for Cabinet's consideration within six weeks of the quarter's end. The timing of their actual consideration was dependent on the schedule of Cabinet meetings.
- It was questioned why there was not a more detailed presentation of all (rather than just a selection of) individual Local Area Agreement (LAA) targets, over and above the summary in the covering report. It was suggested that those in respect of targets for mortality rates, smoking and childhood obesity were of particular importance. The CPRM said that a dedicated report on performance against targets in the LAA was produced but that there would be no difficulty in including level 3 information in the ICPR, if it were agreed that this was desirable. The Joint Management Team had sought to reduce the number of indicators reported on in the ICPR to about 60, the intention being to concentrate on those indicators that best described the Council's performance and were considered key to its performance improvement. It was noted that reports on performance on the three areas highlighted were being made to the Primary Care Trust Board. Members proposed that performance against LAA targets should be provided to the Committee.
- In relation to the LAA targets, the report stated that seven were behind target or had no action plan. The Associate Director of Integrated Commissioning reported that an overall action plan for the personalisation of social care was in place.
- The Associate Director of Integrated Commissioning and the CPRM commented on performance against targets NI 136 (people supported to live independently through social services) and NI 138 (satisfaction of people over 65 with both home and neighbourhood), both of which were marked as 'red' for the first quarter. In relation to target NI136 information from different providers was only combined towards the

end of the year, so that the earlier figures understated actual performance. Performance against target NI 138 was based on an annual survey.

- (p.55) The merit of having a local target for staff turnover was discussed. The CPRM commented that the rationale lay in the need in any organisation to strike an appropriate balance between the benefits of continuity in the workforce and the detrimental effects of stagnation.
- (p49 - NI 182- business satisfaction with regulatory services) The CPRM confirmed that a target had now been set and an action plan was in place.
- (p51 – commitment to combat the effects of the economic downturn and prepare for recovery.) The CPRM outlined a number of measures that had been taken.
- (p54 – local indicator on customer satisfaction). Members questioned how this indicator could show a satisfaction level to May 2009 of 82%, when the satisfaction rating for the Council overall recorded in the national Place Survey was 33%. The CPRM commented that the covering report did explain that performance against this local indicator was based on contacts made through Info in Herefordshire. It currently related to satisfaction with planning, transportation, highways, culture leisure, environmental health and trading standards. It was to be extended during the year to other areas of the Council. The Place Survey and other rigorous surveys had consistently shown a big difference between the public's satisfaction with the Council overall and their satisfaction with individual services. He added that all surveys under the authority of the Council's research team were carried out to the most rigorous standards. He agreed to provide clarification on the surveys used to inform this indicator.

#### **RESOLVED:**

- That**
- (a) the note of the points raised by the Committee on the Integrated Corporate Performance Report should be forwarded to the Executive;**
  - (b) it be requested that the format of the Integrated Corporate Performance Report should be amended as follows:**
    - (i) the key to the appendices to the report should be moved from the back of the report to the front.**
    - (ii) a full report on performance against targets in the LAA should be appended to the report.**
  - (c) Cabinet be urged to give the earliest possible consideration to the Integrated Corporate Performance Reports.**

#### **25. BUDGET MONITORING REPORT 2009**

*(Councillor AE Gray declared a personal interest.)*

The Committee considered the budget monitoring position to the end of July 2009 and an indication of the estimated outturn.

It was noted that Cabinet had received and noted the report on 24 September 2009.

#### **Revenue Budget**

The Head of Financial Services presented the report. She highlighted that the overall position on the revenue budget showed a projected overspend of £1.34 million representing 1% of the Council's net revenue budget.

She outlined the areas of projected overspend and underspend as detailed on page 65 of the agenda papers. She noted the potential effect of reserves if they were used to meet the overspend. She then commented on the financial position within each directorate as set out in the report highlighting the following points:

- The largest projected overspend was on the Integrated Commissioning budget (£2.6 million). She reported that a proposed recovery plan was being evaluated.

She drew attention to the 1.7% uplift in contracts that had been made in line with the Primary Care Trust (PCT). However, this had not been reflected in service budgets and would need to be revisited in preparing the 2010/11 budget. She also noted the potential financial implications of the reassessment of clients needing continuing healthcare, one case already having resulted in adult social care having to meet costs of £109,000 previously met by the PCT and the need to work with the PCT to ensure that PCT and Council funding was allocated appropriately.

- In relation to Children's Services which had a projected overspend of £755,000 she drew particular attention to the cost of foster placements.

She reported that a recovery plan had been prepared. However, it was possible that at this stage of the financial year it may not be possible to recoup the projected overspend which would have implications for the 2010/11 budget.

- She expressed some concerns over the budget of the Deputy Chief Executive's directorate now with a projected overspend of £230,000. She noted that the key area of overspend was on legal and democratic services with four specific issues identified on pages 72/73 of the report.

In discussion the following principal points were made:

- Concern was expressed about the statement in relation to the Children and Young People's Services Directorate that to achieve the level of savings required would require a reduction of 25-30 posts. The Director of Resources assured the Committee that other options were being explored in particular the scope for reducing highly costly out of county placements.
- Noting that by far the bulk of the overspend was attributable to additional expenditure on safeguarding and assessment, following the "Baby P" case in Haringey, a concern was expressed that this could indicate either that appropriate measures had not been in place beforehand or that there was now an overreaction.
- Clarification was sought on the reference to an overspend in the audit section of the Resources Directorate which stated that additional costs were being incurred on the Herefordshire Connects programme. The Director of Resources commented that the expenditure related to the secondment of an auditor to the project. The overspend would be met from within the Directorate. In response to a question about savings generated by the project he replied that the project was delivering improved systems.
- In response to a question about the pooling of Council and PCT budgets the Director commented that a number of arrangements were in place but that there was scope for more such arrangements.

- Concern was expressed that increased demand for learning disability services, where there was a projected overspend of £1.344 million had been foreseeable. The Director noted that there was no provision in place to transfer budget from Children's Services to adult services as people moved through the system and acknowledged consideration may need to be given to this point.
- A Member suggested the value of residential college placements out of County also needed to be reviewed.
- The overspend on legal and democratic services was discussed, noting that 3 whole time equivalent posts in legal and democratic services were not provided for within the budget.
- Members noted that interim staff costs were a further component of the overspend and that there were a number of interim posts on temporary contracts, which incurred a premium, across the authority. Concern was expressed about the costs of these posts, the implications for continuity of service provision and their value for money. The Director of Resources stated that the costs of these posts were met by individual directorates. The costs of some senior posts were relatively expensive but that reflected the market rate. It also had to be borne in mind that the interim posts supported or replaced existing posts. Members proposed that their concern should be registered.

### **Capital Budget**

The Head of Financial Services outlined the position on the capital programme budget.

In discussion the following principal points were made:

- It was requested that a breakdown be provided on expenditure on consultants in connection with the Herefordshire Connects programme.
- The Director agreed to confirm to Members the capital receipt from the disposal of part of the Nieuport estate, once the figure was in the public domain.
- Asked about interest rates on borrowing the Director stated that short term rates were much lower. Longer term rates had not changed greatly. A decision would have to be taken shortly on whether to add to the level of prudential borrowing which was currently £115 million. He noted that the expectation would be that the capital programme would be constrained in future years.
- The Director acknowledged there was pressure on the budget that had been provided for the mortgage relief scheme.

### **RESOLVED:**

- That**
- (a) the report be noted;**
  - (b) the forecast outturn for 2009/10 agreed with Directors based on service and financial performance outlined in this report be noted;**
  - (c) the continuing efforts of all Directors to ensure service targets are met within the approved budget be endorsed;**
  - (d) it be recommended that consideration be given to the need for arrangements to provide for the transfer of budget from children's services to adult services as people with learning disabilities moved**

from the responsibility of Children's Services to the responsibility of Adults Services.

- (e) the planned review of expensive out of county placements as part of the adult social care recovery plan should include a review of the value for money of residential college placements out of County; and
- (f) concern be registered about the costs of interim posts, the implications for continuity of service provision and their value for money.

## **26. WORK PROGRAMME**

The Committee considered the work programmes of the scrutiny committees.

The report proposed how to take forward the development of an external focus to the work programmes building on the externally facilitated scrutiny event on the 8th September and further discussion at an informal meeting of members of the Strategic Monitoring Committee on 21st September. It also proposed that scrutiny committees re-examine the appropriateness of their current work programmes.

### **RESOLVED:**

- That
- (a) the current Work Programmes serve as a basis for further development;
  - (b) the Adult Social Care and Strategic Housing Scrutiny Committee be requested to give priority to the scrutiny of housing related issues within its work programme, having regard to issues noted in appendix 1 to the report;
  - (c) the Children's Services Scrutiny Committee be requested to give priority to the scrutiny of safeguarding issues and youth issues (in conjunction with nominated Members of the Community Services Scrutiny Committee), having regard to issues noted in appendix 1 to the report.
  - (d) the Environment Scrutiny Committee be requested to give priority to the scrutiny of transport issues, having regard to issues noted in appendix 1 to the report; and
  - (e) the Strategic Monitoring Committee give priority to Communication issues, having regard to issues noted in appendix 1 to the report; and
  - (f) that all Scrutiny Committees be requested to re-examine their current work programmes to ensure that matters listed for future consideration remain appropriate subjects for scrutiny.