

Minutes of the meeting of the Chairs and Vice-Chairs of Overview and Scrutiny Committees held on 27 October 2014 at 5.00pm

Present: Councillors Shane Hebb (Chair), Charlie Curtis, Sue Gray, Yash Gupta, Barry Johnson, Cathy Kent, James Halden, Val Morris-Cook, Charlie Key, Pauline Tolson and Gerard Rice

Mr Neville Baldwin – Chair of CVS

Apologies: Councillor Tom Kelly

In attendance: Councillor John Kent – Leader of the Council
Councillor Richard Speight – Portfolio Holder for Communities
Councillor Andrew Roast – Shadow Portfolio Holder
Councillor Tony Fish – Portfolio Holder for Environment
Councillor Phil Smith – Portfolio Holder for Public Protection
Ms Kristina Jackson – Chief Executive – CVS
Mr Neil Woodbridge – Representative for TransVol
Ms Kim James – Representative of HealthWatch
Mr Mike Rawlings – Representative of the Citizen’s Advice Bureau
Steve Cox – Assistant Chief Executive
Roger Harris – Director of Adults, Health and Commissioning
Carmel Littleton – Director of Children’s Services
Barbara Brownlee – Director of Housing
David Bull – Director of Planning and Transportation
Sean Clark – Head of Corporate Finance
Natalie Warren – Community Development and Equalities Manager
Matthew Boulter – Principal Democratic Services Officer

Before the start of the Meeting, all present were advised that the meeting may be filmed and was being recorded, with the audio recording to be made available on the Council’s website.

The Chair also highlighted that he had been elected before the meeting by the chairs and vice-chairs present.

1. Declarations of Interest

Councillor Gupta declared a non-pecuniary interest by virtue that he was the trustee on several organisations discussed in the reports.

Councillor Speight declared a non-pecuniary interest by virtue that he was a board member of the Arts Council, Citizen’s Advice Bureau and TRUST.

2. The Impact of Saving Proposals on Thurrock's Voluntary Sector – The Council Perspective

The Portfolio Holder for Communities introduced the report stating that he would not go into detail as this meeting was an opportunity for the voluntary sector to put their views across. He did highlight, however, that the council was required to make £37 million worth of savings and although the voluntary sector did a great deal to support the Council's work and Thurrock's community in general, the savings had to be made in some form. The Councillor welcomed the alternative savings proposals mentioned in the report of the voluntary sector and stated that these could be looked into to check their viability, however, he stressed that should money not be saved within the voluntary sector, it would have to be found in other areas of the council. He offered to meet with any voluntary organisation that wished to meet him.

It was clarified that the savings proposed were spread over the next couple of financial years and some savings were scheduled to happen very soon while others were for next municipal year.

Mr Baldwin highlighted that resilience was the key issue for the voluntary sector. He stated that the change in funding was inevitable but the way in which the savings were distributed and applied could be changed to allow voluntary organisations to continue to operate in the interim. Mr Baldwin suggested a three year financial strategy needed to be put in place.

The Chair asked for clarification around the communication of the reduction of funding. He understood that the Comprehensive Spending Review in 2010 flagged up the need to review the funding of the voluntary sector in Thurrock. It was agreed that the some parts of the voluntary sector had been aware of the issues around funding since 2010 but not all.

3. The Impact of Saving Proposals on Thurrock's Voluntary Sector – The Voluntary Sector Perspective

Kristina Jackson, Chief Executive of the CVS, was invited to speak. It was stated that a revised report had been produced and was circulated. After setting out the nature of the voluntary sector in Thurrock she highlighted that the sector supported the council in many ways and prevented a much larger demand on the Council's statutory services. Some organisations were also able to bring in funding from other bodies to provide valuable community work. Ms Jackson stated that this joint meeting was required because the sector wanted joined up thinking across the overview and scrutiny committees about what impact the savings would have across all departments.

A number of issues were mentioned within the presentation, namely:

- There had been little communication with the sector relating to the savings proposals. Most organisations only heard about the savings

when they were presented at Cabinet or the Overview and Scrutiny committees.

- Most organisations did not have dialogue with the Council on the savings until September or as late as last week.
- 81% of the savings impact upon local organisations whereas only 19% impact national organisations.
- At Health and Well-being Overview and Scrutiny Committee, Members had requested a breakdown of data in relation to the 10% across the board savings proposal; this had yet to be provided. Although this saving had been removed, it was still important for the sector to know the detail in case it was proposed in future.
- The Community Safety Partnership (CSP) had also been suggested at the Health and Well-being Overview and Scrutiny Committee as a mitigating factor whereby the CSP could pick up the workload of certain other organisations when their funding was reduced. However, the CSP was also facing a saving which questioned its ability to take on more work.

Ms Jackson stated that the sector had brought in £7 million additional funding and with changes to the way the Big Lottery was awarding grants in the future would mean that the organisations would now be competing with the Council and each other for resources. It was felt that the sector needed the input of a professional bid writer to help it compete.

Short term impacts of the savings included:

- 69 staff would be made redundant
- At least 5 organisations would cease to exist.
- 48,871 citizens with protected characteristics would be effected
- 4,500 volunteering opportunities lost
- Loss of independent voice
- Loss of signposting and informal advice
- Loss of income levered into Thurrock
- Loss of Citizen's Advice Bureau would impact on other organisations including BLF which supports Batias, Open Door, TCIL and DIAL

Mr Neil Woodbridge was invited to speak on behalf of Trans Vol. He outlined that Trans Vol had been operating for many years, before the Council had become a unitary authority and had recently celebrated its millionth journey. Many of the users of Trans Vol were not using social services and therefore Trans Vol was providing a service that reduced the demand on social services at the Council. Mr Woodbridge highlighted that Trans Vol was unable to attract new funding or business because it had been subject to cuts (70% in the last few years) and also that their accounts were never verified. Trans Vol had reduced costs by 54% and had increased income, writing to the Council to outline what services it could provide for various budget envelopes, £50,000, £100,000 and so on. The council response had been to suggest a 100% reduction in funding. Mr Woodbridge summarised by saying that although Trans Vol was a charity, it wanted to do business and if it ceased, Thurrock would be the only council in the country without a dial-a-ride service.

Mr Mike Rawlings of the Citizen's Advice Bureau (CAB) was invited to speak. He highlighted the thirty five page handout that the Members had a copy of. The CAB had started in 1975 and it fulfilled an important role of providing support services for the community without calling upon statutory services. He stressed that the saving should not simply be seen as a reduction in funding but a decision that had a large social impact. The CAB saved the council considerable amounts of money and the help the CAB gave to people facing homelessness over some three hundred cases saved tens of thousands of pounds for the council. The CAB also brought in other funding, such as Legal Aid, and provided a great opportunity for people to volunteer and compete in the job market.

Ms Jackson went on to highlight some of the possible long term impacts of the savings proposals, which included:

- Increase in hate crime as people look for scapegoats.
- Rise in unemployment – fewer people work ready as less volunteering opportunities
- Lower educational attainment as families prioritising on surviving
- Drain on educated as they seek work outside of Thurrock
- Mental health worsens – fewer employable, drug and alcohol use increase
- Increase in hospital admissions and GP waiting times as demand increases
- Rise in household debt leading to non payment of council tax and rents
- Mortgage and rent arrears – more evictions leading to increase of homelessness
- Council expends income on legal costs taking families to court for non payments of council tax and evictions
- Number of children taken into care increases, causing huge financial burden on the council – as families are no longer able to cope
- A high proportion of current looked after children are placed in care homes as foster placements break down. Very expensive solution
- Fewer foster carers available as they feel they are less supported
- Increase in number of sexual violence and domestic violence incidents as families become under increasing pressures
- Increase in begging as families are no longer able to feed themselves
- Suicide and alcoholism increases as people feel alone and hopeless
- MASH – some partners of the multi agency safeguarding hub will no longer exist
- Social isolation as people are unable to get out of their own homes

Ms Jackson continued by saying that there were suggestions for a way forward and a revised budget was presented that spread the savings differently across the sector. There were also further suggestions including:

- Opportunities from Introduction of the Care Act 2014 and Universal Credit.

- Explore feasibility of transferring council services out to community or sector ownership
- 3 year detailed financial planning involving partners to co-produce
- Utilising Section 106 monies to support voluntary sector
- Using CIL monies to support voluntary sector

Councillor Rice asked whether the proposal to save 10% on council consultancy fees could be achieved. Officers responded that much of this budget was already being taken as savings as part of the restructure of departments. The consultancy budget included agency staff who, in terms of the Finance Department, would be removed with the restructure. Therefore, it was unlikely this proposal could be taken forward in the spirit the voluntary sector wished.

The Group discussed opportunities available through the Care Act for funding and it was confirmed that there would be funding available for services such as advocacy in April 2015. However, the Council's allocation would only be confirmed in December and following that the Council would be looking to commission further services.

Council Morris-Cook asked the sector whether they were able to account for all the money they had spent and demonstrate that it provided not only value for money but also provided greater funding through other sources. It was responded that most of the organisations in the sector returned a 4 to 1 ratio for their funding as a minimum. It was highlighted that some organisations wanted to be seen as a business and wanted a contract rather than a grant from the Council.

A brief debate was had on why the CAB was separately funded from the rest of the CVS and it was found that this was a historical decision dating back to Thurrock becoming a unitary when it was decided to protect the CAB from future savings that might affect the newly formed voluntary sector.

4. Debate

The Group felt that the opportunity for the sector to take on council services should be explored, although they noted at the Leader's request that by doing this, the sector was not offering alternative savings but offering a vision of how they could operate in the future, which was welcome. The Group recognised that for the chance for voluntary organisations to take on these services in the future, they would need to survive the current savings proposals. The Leader suggested that money could be found from a reserve to offer support in the interim period. There were a number of reserves available to the council and although each was governed by financial rules on use, it was stated funds would be sought.

Councillor Morris-Cook asked whether the sector could not join forces to offer similar services and joint apply for money. She felt there was funding out there for organisations to apply for.

The Group discussed resilience of the sector and Mr Baldwin stated that a three year plan needed to be put in place to manage the course of the sector. Everyone agreed that the suggestions put forward and discussed would not remove the need to make hard budget decisions. It was highlighted that with the current proposal there was a risk of losing 50% of the Beehive occupants. The Chair added that he wondered how the Compact could better work to allow the Council and the voluntary sector to have a more current and informed relationship.

The Leader of the Council apologised for the lack of communications that the sector felt had happened over the budget proposals and stated that the Council was looking to employ a professional bid writer and that section 106 monies and CIL funds could be investigated to see if money could be taken from them for voluntary sector and community projects. However, he added that he would not be able to promise a three year budget for the sector as there were too many unknown budget factors.

Councillor Halden felt the Council needed to quantify savings much more so that Members could understand where value for money was being added by services and organisations.

A brief discussion was had on Trans Vol where it was made clear the Council had offered the organisation £50,000 for next year and had requested the organisation to demonstrate a business plan. The organisation had therefore had fifteen months notice of budget decisions. Mr Woodbridge welcomed the offer of the money but added that this was a short term resolution and a longer term solution was needed.

It was agreed that the sector had a good relationship with Members but the decisions and discussions did not always trickle down in both the Council and the voluntary sector. It was also agreed that the actions from tonight's meeting needed to be resolved before Christmas.

RESOLVED: that:

- i) The Group note the comments made by the Leader of the Council relating to Section 106 monies, the recruitment of a professional bid writer and the temporary use of reserves to provide interim support to the sector in time of transition.**
- ii) The alternative budget proposal supplied by the voluntary sector be reviewed and studied to ascertain its viability.**
- iii) Officers and portfolio holders review the proposals for outsourcing council services to the voluntary sector.**
- iv) The Voluntary Sector provide plans on how they could work together to provide joined up services in the future.**
- v) The current voluntary sector model in Thurrock be reviewed.**

- vi) **Savings proposals be qualified in future so Members can understand the value of savings in terms of value for money.**

The meeting finished at 6.50pm.

Approved as a true and correct record

CHAIR

DATE

**Any queries regarding these Minutes, please contact
Democratic Services at Direct.Democracy@thurrock.gov.uk**