

Lancashire County Council

Internal Scrutiny Committee

Minutes of the Meeting held on Friday, 22nd September, 2017 at 10.00 am in Cabinet Room 'B' - The Diamond Jubilee Room, County Hall, Preston

Present:

County Councillor John Shedwick (Chair)

County Councillors

A Ali	D O'Toole
J Fillis	P Rigby
S Holgate	C Wakeford
E Lewis	D Whipp
E Nash	G Wilkins

County Councillor Christian Wakeford replaced County Councillor Jayne Rear for this meeting.

1. Apologies

None were received.

2. Disclosure of Pecuniary and Non-Interests

None were disclosed.

3. Minutes of the Meeting held on 21 July 2017

Item 5 – Local Authority Funding Update, the Terms of Reference for the Task Group looking at local authority funding would be agreed by the Task Group itself and not the Group Secretaries as stated in the minutes.

Resolved: That the minutes from the meeting held on 21 July 2017 be confirmed as an accurate record and signed by the Chair.

4. The County Council's Expenditure on Statutory and Non- Statutory Services, and Income Generation Activities

The Chair welcomed Steve Browne, Corporate Director Commissioning and Deputy Chief Executive; Neil Kissock, Director of Financial Resources; and Rachel Blundell, Financial Intelligence Manager (Start Well).

The Members of the Internal Scrutiny Committee received presentations from the Director of Financial Resources regarding the County Council's expenditure on statutory and non-statutory services, and on the County Council's income generation activities.

It was reported that in relation to statutory services, the County Council had a minimum statutory responsibility to deliver these services. The Authority could explore innovative ways to deliver statutory services differently to achieve the same or improved outcomes at a reduced cost. Members were informed that the non-statutory services were largely supporting statutory service delivery and there was little scope to cut non-statutory services further. Non-statutory services could be delivered for a number of reasons:

- A significant reduction in service would increase risks e.g. street lighting
- To prevent escalation to higher cost services e.g. social care early support services
- The service generated a net income that contributed to the Council's overheads e.g. traded services
- A non-statutory service supported statutory services within the Council e.g. Human Resources

The Committee was informed that PricewaterhouseCoopers (PwC) had carried out a Statutory Services Budget Review (SSBR). Their assessment of statutory expenditure was only 1.3% different (£11m lower) than the County Council's assessment.

The Budget Base Review (BBR) and the SSBR identified £114.7m of non-statutory budgets. Around £50.5m of the 2017/18 was now considered non-statutory of which Public Health accounted for £32.5m. Key areas of increasing demand were Adult and Children's Social Care with work being undertaken to improved social care delivery models.

Regarding Adult Services non-statutory services, the Care Act 2014 legislation was used as reference in the BBR assessment of Adult Services. Under the Act, local authorities had a duty to assess and to meet the assessed needs of individuals. The Act allowed discretion as to how those needs were met, to enable flexibility and the ability to work more efficiently and innovatively to meet local need. Adult Services were deemed to be 100% statutory in BBR. Working with Newton Europe, it was reported that savings could be delivered from the rollout of new practices and a change in culture to achieve:

- Reablement increased throughput and improved outcomes
- Improved productivity
- Fewer residential admissions from hospital
- A reduction in assessment costs

Members were informed that LCC received an Education Services Grant of around £15m to £16m. This had been reduced over the last few years to around £4m. This reduction had been reported to Cabinet.

Members queried the contribution to the Blackpool Tramway Network. They were informed that a significant amount of the tramway is in Lancashire and a large proportion of the infrastructure was funded by LCC. In relation to the use of the NoW card, it was pointed out that there was not a statutory requirement in terms of the tramway to accept the NoW card as it was not part of the public transport legislation.

Regarding the income update it was noted that at the Full Council budget meeting on 9 February 2017, a net budget for 2017/18 of £724.821m was agreed.

The recent PwC report stated that LCC was currently recovering on average 10% of expenditure across service areas and there was still opportunities within some service areas to increase income levels.

Resolved: That;

- i. The report be noted.
- ii. Initial objectives and outcomes for the task group be confirmed.
- iii. First meeting date for the task group be confirmed

5. Task Group Request

A report was presented setting out the request from the Children's Services Scrutiny Committee for a task and finish group to be established on supporting pupils at school with medical conditions.

Resolved: That the task and finish group request be approved.

6. Internal Scrutiny Committee Work Plan 2017/18

The work plan for the Internal Scrutiny Committee for the 2017/18 year was presented. The topics included were identified at the work planning workshop held on 23 June 2017.

Members requested that the Cabinet Member for Highways and Transport attend the Internal Scrutiny Committee meeting on 17 November.

Resolved: That the work plan be noted.

7. Urgent Business

There were no items of Urgent Business.

8. Date of Next Meeting

The next meeting of the Scrutiny Committee would take place on Friday 17 November at 10.00am in Cabinet Room B (The Diamond Jubilee Room) at the County Hall, Preston.

I Young
Director of Governance, Finance
and Public Services

County Hall
Preston