

Policy and Performance Scrutiny Committee - 18 January 2018

Non-confidential minutes of the meeting of the Policy and Performance Scrutiny Committee held at Committee Room 4, Town Hall, Upper Street, N1 2UD on 18 January 2018 at 7.30 pm.

Present:	Councillors:	Greening (Chair), Jeapes (Vice-Chair), Chowdhury, O'Halloran, O'Sullivan, Russell, Gallagher, Heather, Williamson, Smith and Champion
Also Present:	Councillors:	Hull

Councillor Richard Greening in the Chair

415 APOLOGIES FOR ABSENCE (Item 1)

Councillors Doolan, Klute and Debono, Councillor Russell for lateness

416 DECLARATION OF SUBSTITUTE MEMBERS (Item 2)

None

417 DECLARATIONS OF INTEREST (Item 3)

None

418 TO APPROVE MINUTES OF PREVIOUS MEETING (Item 4)

RESOLVED:

That subject in the resolution to Minute 413 after the word 'continue' of the words 'still receiving reports, in a shortened version if possible'

the minutes of the meeting of the Committee held on 30 November 2017 be confirmed as a correct record of the proceedings and the Chair be authorised to sign them

419 MATTERS ARISING FROM THE MINUTES (Item 5)

None

420 PUBLIC QUESTIONS (Item 6)

A Member of the Public stated that she wished to ask a question in relation to the Windsor Street Development in relation to the savings proposals in the Council 2018/19 Budget report as follows –

Windsor Street, a supported living scheme for 11 people with learning disabilities, forms part of the Housing and Adult Social Services capital project scheme. Council officers and senior Councillors, have made statements that this scheme 'will form part of the changes to the social care system that will save millions'. Please will the Committee scrutinise how Windsor Street will achieve cost savings that it is supposed to do, especially in the light of its spiralling capital costs, which have risen from below £2.2million to over £4.2million and are still growing. The CQC regulations will not permit 11 learning disabled people to be accommodated in single person and shared units in a single building on a single site, and with regard to the rules on supported living as this would make block bookings for care provision less achievable.

Members were informed in response that, whilst exact savings are difficult to predict, due to the differing nature of support services and the changing levels of support people may require over time, Supported Living provides better value than equivalent residential services. Currently, supported living in Islington is operating at or close to capacity, and the Council continues to place people in residential care outside the borough as a result of this. Financial modelling, through the nationally recognised fair price tool, the Care Funding Calculator, indicates that Windsor Street, as a supported living service, will offer significantly better value than its alternatives. For example, the Care Fund Calculator, shows that the expected cost of a placement in residential care, for 11 people with learning disabilities, with a moderate to high level of support, is likely to cost approximately £1900-£2000 per week, whilst the equivalent level of support in an 11 person Supported Living service is just over £40,000 per year for one person. Whilst it would not be wise to extrapolate this across the whole service, as each person will have different needs and circumstances, benchmarking such as this can give confidence that Windsor Street will offer better value than the available alternatives, and reduce the overall costs to social care budgets.

It was added that there have been increases of £1,398,000 in total scheme costs and £1,018,000 on build costs. These figures are taken from the financial viability reports, provided to finance, in 2015, for feasibility stage and in 2017, for pre-planning purposes. The view of Finance is that this scheme has increased in costs since the first appraisal, but this increase was acceptable and that the programme could bear the additional cost, and a strong political will, for the scheme to progress. In discussion with the Council's agent, on the subject of tender price increases in this period, it is estimated that between have d increased roughly to £2,807,000. The additional costs are as a result of design development, and the Chair outlined some of the changes. In addition to the above, there has been some other consultant costs, as a result of reports being out of date, and no longer appropriate for submission to Planning, due to the length of time taken to get the application into Planning. These reports include daylight sunlight reports, rights to light issues, a valuation report, a heritage statement, and of course the costs of taking verified views. Whilst the above mentioned design changes, and additional costs, are not specifically quantified, they do go some way to justify the increase in costs.

The Chair stated that with regard to the CQC regulations, that the CQC is not relevant to this development, but will be relevant to the provider that supports the residents that move in, as only the care element of this scheme will be registered. The residents will have their own personal tenancy agreements, so their accommodation will be separate from their personal care. It is the personal care element that will be registered with the CQC. Reference was made in the question to the fact that the questioner felt that the building will be unsuitable, because it runs contrary to the advice of the CQC on the maximum number of clients, where the language around numbers was 'softened' following consultation. The new guidance states that the CQC will not adopt 'six as a rigid rule', for providers of any service in the building, and there is sufficient flexibility to allow the ground floor, where there are 4 residents, to operate independently, of the two upper floors, where there is a capacity

of 7 residents. The CQC has stated that 'it may register providers who have services that are small scale, but accommodate more than 6 people, where providers are able to demonstrate that they follow all the principles and values in the Building the Right Support Guidance, and meet the fundamental standards and other relevant regulations. The amended guidance acknowledges the provision of care to people with learning disabilities and autism is complex. The Chair also added that the CQC will not consider size in location from other factors, such as the effectiveness of management and the evidence base for given service models.

The Chair further stated that, with regard to the issue of possible rent arrears and Universal Credit, following Government consultation with the supported housing sector in 2017, the issue in relation to benefits is no longer relevant, as the Local Housing Allowance will no longer be applied to supported housing and rent for supported housing will continue to be paid by housing benefit.

In relation to an additional question it was stated that it was felt that the scheme was financially viable and would not only improve the lives of service users would provide cost benefits to the Council.

The Chair added that a detailed response would be sent to the questioner in writing

421 CHAIR'S REPORT (Item 7)

The Chair stated that the meeting scheduled for 8 February had now been cancelled and the next meeting of the Committee would now be held on 8 March 2018

422 COUNCIL BUDGET - 2018/19 (Item 8)

Councillor Andy Hull, Executive Member Finance, Performance and Community Safety was present. Steve Key, Service Director Finance and Resources was also present.

During the presentation of the Executive Member the following main points were made –

- The Committee noted that the Government had made significant funding reductions to Local Government funding since 2010, exacerbated by unavoidable and inflationary cost pressures. Islington has had to find savings of up to £194 million, and including, 2017/18
- It was noted that there is also an expected further 10% cash reduction in Islington's core settlement funding over the next 2 years, the last 2 years of the 4 year Government's funding settlement, and this is in combination with further inflationary, demographic and structural funding pressures, particularly in relation to Children's Services
- As a result of these pressures, it is estimated that £49 million of ongoing savings need to be found over the next 2 years, comprising £32 million in 2018/19 and £17 million in 2019/20. The 2019/20 savings requirement will increase accordingly, for any of the 2018/19 savings that are 'one off', rather than ongoing in nature
- The Committee also noted that over the period 2010-2020, Islington will have faced a like-for-like reduction in core un ring-fenced Government funding of revenue support grant, business rates and top up grant of approximately 70%
- Reference was made to the 'pooling' of business rates between London Boroughs and the GLA and Corporation of London, and that it would produce additional

income in future years, and no borough would be a 'net' loser as a result of the proposal

- The Committee welcomed the investment in the building of new Council houses and that an additional £1m will be invested in Tufnell Park Primary School
- The Committee noted that for a third year an additional £0.5m had been budgeted for early intervention/targeted youth work, although a small number, that would be necessary as a result of the funding reduction, and hoped that these could be kept to a minimum
- The Committee welcomed that the Budget proposals had yet again sought to protect front line services, however there were difficult choices to be made in the next 2/4 years, given the continuation of Government funding reductions and an outcome based budgeting process is being considered for future years
- A number of detailed questions were asked in relation to individual issues on the budget proposals, which were responded to by Councillor Hull
- In relation to a question as to fees and charges in relation to marriage ceremonies it was stated that additional costs had been added at less busy periods to remain competitive and had been carried out bearing in mind 'market forces'
- In response to a question it was stated that ICO is progressing satisfactorily, and the ICO Board were confident of future income for the Council
- Members expressed concern at the level of stress and reduced staff morale as a result of constant increases in workload and reductions to staff
- In response to a question, Councillor Hull stated that the presentation on GDPR would be circulated to Members
- A Member referred to the current restrictions placed by Central Government on rents, and whether the Council, as a registered provider, could charge target rents on new build properties

RESOLVED:

That the Executive note the comments of the Committee and be requested to investigate the position with regard to the powers of registered providers, and any flexibility in terms of the implementation for new rents in Islington, in the light of the current restrictions on Local Authorities

The Chair thanked Councillor Hull and Steve Key for attending

423 MONITORING REPORT, FORWARD PLAN (Item 9)

RESOLVED:

That the report be noted

The meeting ended at 8.45pm

CHAIR