

Place and Corporate Overview and Scrutiny Committee

Thursday 26 January 2017

PRESENT:

Councillor Bowie, in the Chair.

Councillor Ball, Vice Chair.

Councillors Aspinall, Churchill, Fletcher, Fry, Lowry (substitute for Councillor Mavin), Morris, Penberthy, Sparling (substitute for Councillor Sam Davey) and Storer.

Apologies for absence: Councillors Carson, Sam Davey and Mavin.

Also in attendance: Dawn Auger (Interim Joint Strategic Director for Transformation and Change (Transformation)), Paul Barnard (Assistant Director for Strategic Planning and Infrastructure), Guy Dickson (Head of Organisational Development and Talent), David Draffan (Assistant Director for Economic Development), Ross Jago (Lead Officer), Andrew Hardingham (Interim Joint Strategic Director for Transformation and Change (Finance)), Lou Hayward (Assistant Director for Street Services), Tracey Lee (Chief Executive), Giles Letheren (Delt Operations Director), Anthony Payne (Strategic Director for Place), Dave Saunders (Strategic Development Manager (Customer Services)), Dave Shepperd (Head of Legal Services) and Helen Wright (Democratic Advisor).

The meeting started at 3.00 pm and finished at 6.30 pm.

Note: At a future meeting, the Panel will consider the accuracy of these draft minutes, so they may be subject to change. Please check the minutes of that meeting to confirm whether these minutes have been amended.

29. **Declarations of Interest**

There were no declarations of interest made by Councillors in accordance with the code of conduct.

30. **Chair's Urgent Business**

There were no items of Chair's urgent business.

31. **Budget Scrutiny**

Councillor Bowyer (Leader) together with Councillor Nicholson (Deputy Leader), Councillor Riley (Cabinet Member for HR/Democracy and Governance/Licensing), Tracey Lee (Chief Executive), Andrew Hardingham (Interim Joint Strategic Director for Transformation and Change (Finance)) and senior officers presented the draft budget 2017/18 which highlighted the following key areas –

- (a) the Medium Term Financial Strategy had been approved by the Council on 21 November 2016; the strategy outlined measures to address the funding gap of £37m for the following three financial years;
- (b) the forecast budget gap for 2016/17 (as at January 2017) was £2.5m; a series of savings initiatives had been put forward to address the adverse situation which included the modernisation of services and increased income;
- (c) the council had accepted a four year Revenue Support Grant (RSG) settlement from the Government which would provide some certainty when planning for future years;
- (d) a modest increase in council tax was planned but cuts in Government grants would exceed the proposed increase; with services such as adult social care continuing to face high levels of demand it would be a real challenge for the council to achieve the savings required;
- (e) the Place directorate was currently focusing its work on three key areas; growth (Plymouth Plan, Mayflower 400, new homes), income (£20m had been delivered through council tax, housing bonus) and modernisation (waste services, fees and charges);
- (f) the 'Time for Big Decision' consultation exercise had been undertaken to gain an insight into public opinion relating to the budget pressures faced by the Council; key areas of support included –
 - the creation of jobs;
 - support to bring empty homes back into use;
 - provision of affordable housing;
- (g) key areas of concern from the consultation exercise included -
 - fly tipping and litter;
 - the level of construction of student accommodation.

The key areas of questioning from Members related to –

- the impact of the budget on child poverty;
- the reduction in the budget for Economic Development;
- what the future offer of transformation within the organisations would look like and the associated budget pressures in delivering the services;

- whether the workforce development budget had increased or decreased;
- whether the Council's future use of Ballard House would have an impact on the budget;
- the number of houses within the Sherford development that would be situated within the Plymouth boundary (these houses would generate additional council tax);
- whether there was a growth strategy for the city which would ensure shared objectives with partners;
- the impact on business rates; academies were entitled to an 80% reduction in business rates and the proposed closure of a number of libraries;
- whether an adequate conference facility would be provided as part of the redevelopment of the strategic waterfront site;
- accessibility to the consultation information relating to the plan for libraries;
- the implications for the Council regarding the pension liability for Delt;
- what was the budget for highways winter maintenance, including pot holes;
- what measures were being implemented to encourage new homes to be built on stalled sites;
- the number of student accommodation developments that had been approved within the city centre;
- how the People Strategy would address the low staff morale and other issues raised in the Staff Survey;
- what had been the role of the trade unions in the consultation process, for the People Strategy;
- the reasons for the increase in the HR budget whilst there had been a reduction in the number of staff employed by the Council.

Agreed –

- (1) to thank the Executive, Senior Management Team and Scrutiny Councillors for their patience and contribution to the process;

- (2) that the Committee considered that the budget documentation presented was not sufficiently detailed and as such the Committee was unable to judge whether the draft budget was effective and in line within the Corporate Plan;
- (3) to recommend to Cabinet that the budget, when presented to Council, should include a breakdown of proposed 2017/18 budget levels across departments/service areas and show variation from 2016/17 budget. Transformation stretch savings and efficiencies in 2017/18 must be presented with some comment on how those savings are likely to be made;
- (4) to establish, with the Wellbeing Overview and Scrutiny Committee, a standing Select Committee on the budget;
- (5) to note that a four year settlement has now been accepted by the City Council and recommend to the Cabinet Member for Finance that the draft budget for 2018/19 is presented to Cabinet in September to enable scrutiny of the draft budget to be completed by the standing Select Committee in January 2018;
- (6) to recommend to the Cabinet Member for Finance that, working with the Shadow Cabinet Member for Finance and the standing Select Committee, a budget template is developed for clear and consistent annual reporting of proposed budget which is accessible by members of the public and provides a sufficiently detailed budget and savings proposals for meaningful scrutiny.