

BUDGET SCRUTINY SELECT COMMITTEE – RECOMMENDATIONS TO CABINET ON THE DRAFT 2020/21 BUDGET



I. OVERVIEW AND APPROACH

Budget Scrutiny Select Committee met on 28 and 29 January 2020 to consider whether the Cabinet has an effective plan for setting the budget for the next financial year. This was with a view to establishing and maintaining resources that are fit for purpose, meet the council's obligations and priorities and address the needs and aspirations of the people of Plymouth.

The Committee membership was:

- Councillor Nick Kelly (Chair)
- Councillor Mary Aspinall (Vice-chair)
- Councillor Andrea Johnson
- Councillor Darren Winter
- Councillor Lynda Bowyer
- Councillor Pauline Murphy
- Councillor John Riley
- Councillor Sarah Allen
- Councillor Jeremy Goslin

The Committee considered over 390 pages of evidence (for full list of background documents see Annex I) and questioned over 40 witnesses over one and half days. The Committee extends its thanks to all Cabinet Members and officers who gave their time to prepare reports and/or attend the scrutiny sessions and answer questions.

The Committee took a different approach to previous years in departing from the traditional approach of seeing every single department, to focussing on those areas which present with the highest demand, highest risk and/or poorest performance. This approach was discussed and agreed by Scrutiny Management Board in December 2019 and was informed by the view of the Cabinet Member for Finance in terms of where the Committee could have most impact on the budget setting process.

The Committee concentrated on making recommendations that could be effected within the Council's sphere of influence. The Committee fully expects that Cabinet members and senior officers will continue to lobby central government on central policy issues and fighting for Plymouth's fair share of the funding pot wherever relevant.

2. RECOMMENDATIONS

Below, for Cabinet's consideration, are the recommendations from Budget Scrutiny Select Committee in relation to the draft 2020/21 budget:

No.	Recommendation
1.	<p>That Cabinet continue to make all efforts to build the working balances back up to 5% within two financial years to ensure an effective financial buffer for the organisation and therefore reduce financial risk.</p> <p>Budget Scrutiny also recommends that Audit and Governance Committee look at the methodology behind the setting of the 5% target and whether financial modelling of future risks and past performance could be used to recommend a more appropriate level in the future.</p>
2.	<p>That Cabinet reconsider the approach to legacy savings, particularly with regard the vacancy saving factor of 5%, and determine an alternate approach to addressing the challenge of meeting those savings in a more effective way.</p>
3.	<p>That the referendum threshold for setting Council Tax and the Adult Social Care precept is not breached</p>
4.	<p>That Cabinet seek ways to increase the Community Grant for each Councillor as per the December 2019 Motion on Notice and clarify the allocation within the 2020/21 budget. This should include a review of the Community Grants guidance and criteria by a small cross-party group to ensure the best value and greatest impact is achieved from the grants.</p>
5.	<p>Cabinet ensures that the Medium Term Financial Plan is made available to Finance and Performance Scrutiny as soon as available, following clarification from Government on funding allocation, including fairer funding formula.</p>
6.	<p>That Cabinet explore all avenues to promote caring careers within the city to support Adult Social Care (ASC), including mental health services, in order to support the workforce. This is with the intent of positively impacting both ASC service users and the ASC budget; acknowledging that both are interlinked</p> <p>That Cabinet consider identifying and focussing the budget on key preventative and/or early intervention activities, such as community youth, sports development and mental health services.</p>
7.	<p>That Cabinet consider identifying and focussing the budget on key preventative and/or early intervention activities, such as community youth, sports development and mental health services.</p>
8.	<p>That Cabinet identify which lessons learned from Adult Social Care, in terms of introducing new ways of working, could be transferred to Children's Social Care, recognising that key aspects of success included a long-term view, whole Council approach with cross-party support.</p>
9.	<p>That Cabinet enhance the approach to improving educational attainment by continuing to collaborate and engage with other local authorities with similar demographics to learn from and implement best practice.</p>
10.	<p>That the Cabinet Member seek clarity from Government on the funding for Troubled Families programme beyond 2021 in order to provide assurance of the sustainability of the service and update Full Council as and when required.</p>

11.	That Cabinet prioritise in house foster caring with a view to increasing in-house provision of foster homes through improved training, skills and support for foster carers in the city.
12.	That Cabinet consider how the carbon/environmental impact of the budget can be clarified and quantified in future budget reports.
13.	That Cabinet and the whole Council continue to communicate the tangible benefits of the impacts associated with carbon reduction/climate emergency actions, including clarification of the performance reporting framework, and the positive impacts for residents both environmentally and financially.
14.	That Cabinet continue to lobby central government in relation to the National Planning Policy Framework and Department for Transport guidelines to strengthen the climate/carbon emergency focus.
15.	That Cabinet commits to the setting up of a cross-party Group to review Climate/Carbon impact of proposals and progress.

Budget Scrutiny also recommended that the following be listed to the relevant Overview and Scrutiny Committees:

- The Accommodation Strategy (Performance, Finance and Customer Focus Overview and Scrutiny committee);
- Streamlining of the school transport system (Education and Children’s Social Care Overview and Scrutiny Committee);
- An update from the Cabinet Member for Education, Transformation and Skills on work to continue to reduce the funding gap for maintained nursery schools to ensure the longevity of the provision (Education and Children’s Social Care Overview and Scrutiny Committee);
- An update from the Cabinet Member for Education, Transformation and Skills highlighting the funding challenges and complexities in relation to Special Educational Needs and Disability (Education and Children’s Social Care Overview and Scrutiny Committee);
- A report from HR exploring best practice in respect of tracking apprenticeship outcomes in order to maximise understanding of skills development (Education and Children’s Social Care Overview and Scrutiny Committee);
- That the Cabinet Member for Children and Young People share the outcomes from the Ministry of Housing Community and Local Government and Department for Education round table on 28 January 2020 with Education and Children’s Overview and Scrutiny Committee;
- That the Cabinet Member for Children and Young People refers a schedule of transformation reviews underway and associated timelines in Children’s Services Overview and Scrutiny Committee;
- That Scrutiny Management Board review the level of financial detail provided to Budget Scrutiny to aid lines of questioning
- That the Cabinet Member for Strategic Planning and Infrastructure commits to review transport options and the transport network, especially in relation to the cycle network and how this can be future proofed for users (Brexit, Infrastructure and Legislative Change Overview and Scrutiny Committee).

Annex I: Background documents

- Strategic Risk Register
- Operational risks (red)
- Corporate plan
- Performance reports
- Service Business Plan progress updates/draft service budgets
- Capital Programme Summary
- Treasury Management Strategy
- Overarching Cabinet Paper
- Budget assumptions
- Technical briefing document on how the budget is constructed
- A chart showing the percentage of the total budget (by expenditure) that the areas being focussed on for budget scrutiny comprise
- A summary showing clearly by directorate and main department: o 2018/19 outturn o 2019/20 current projected outturn position o 2020/21 forecast budget
- A progress report on the 2019 Budget Scrutiny Recommendations
- General Fund Balances from 2013-2020

For copies of background documents, please refer to the Budget Scrutiny Select Committee Review Reports Pack of 28 and 29 January 2020, available at Plymouth.gov.uk