

Cabinet



Date of meeting:	08 February 2022
Title of Report:	Budget Scrutiny Recommendations
Lead Member:	Councillor Chris Penberthy (Chair of Budget Scrutiny Select Committee)
Lead Strategic Director:	Giles Perritt (Assistant Chief Executive)
Author:	Ross Jago (Head of Governance, Performance and Risk)
Contact Email:	Ross.jago@plymouth.gov.uk
Your Reference:	BudR22/23
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

This report sets out the recommendations made by the Budget Scrutiny Select Committee following its review of the Council's budget preparations for 2022-2023.

Recommendations and Reasons

That Cabinet consider each of the 17 recommendations made by the Budget Scrutiny Select Committee.

Reason: The recommendations were made after careful consideration of the Cabinet's budget proposals, the Local Government Finance settlement and accompanying documentation and stakeholder feedback.

Alternative options considered and rejected

None - Cabinet is obliged by the Constitution to take account of recommendations made by the Budget Scrutiny Select Committee.

Relevance to the Corporate Plan and/or the Plymouth Plan

The Select Committee considered the themes within the Corporate Plan to ensure that proposals within the budget and business plans deliver against the council's vision.

Implications for the Medium Term Financial Plan and Resource Implications:

The recommendations directly relate to the Council's Medium term financial plan.

Carbon Footprint (Environmental) Implications:

Recommendation 4 relates to the Climate Emergency.

Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

* When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.

Appendices

*Add rows as required to box below

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.						
		1	2	3	4	5	6	7
A	Budget Scrutiny Select Committee Recommendations.							

Background papers:

*Add rows as required to box below

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable) If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.						
	1	2	3	4	5	6	7

Sign off:

Fin	pl.21 .22.2 50	Leg	LS/38 019/A C/3/2 /22	Mon Off		HR		Asset s		Strat Proc	
Originating Senior Leadership Team member: Giles Perritt (Assistant Chief Executive)											
Please confirm the Strategic Director(s) has agreed the report? Yes											
Date agreed: 02/02/2022											
Chair of Scrutiny approval: Councillor Chris Penberthy											
Date approved: 02/02/2022											

1. Budget Scrutiny

- 1.1. Budget Scrutiny provides the opportunity to test assumptions, examine risks and challenge priorities; this is 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.
- 1.2. The Scrutiny Management Board agreed an alternative approach to scrutiny of the 2022/23 budget and this document outlines the methodology undertaken and provides notice of the recommendations to Cabinet.
- 1.3. The Board endorsed the following in advance of the establishment of the Select Committee to guide the review –
 - That an opportunity for involvement was provided to all scrutiny members covering the breadth of the council services to participate in budget scrutiny sessions in December. This was done to give all Cabinet members the chance to privately discuss the pressures their budgets were facing in 2022/23 and the ways in which these pressures could be addressed. This would enable all scrutiny committee members to make recommendations and provide advice to feed into the formal Budget Scrutiny process..
 - That as a results of significant work ahead of budget consideration in January, Budget Scrutiny would take place over a single day in January 2022, with an additional session where recommendations for Cabinet were finalised
 - That a risk-informed approach would be taken utilising the strategic risk register and informed by the committee sessions, with time allocated to areas for discussion at budget scrutiny based on risk level.
- 1.4. The new approach acknowledges feedback, from previous years, that the duration of budget scrutiny when held as a single event demands significant resourcing and impacts on the individuals involved in the process due to the amount of papers, its duration and the detail of the topic covered.
- 1.5. The alternative approach split the process and paper publication between December and January provided greater opportunity for further consideration and reflection on the issues by scrutiny members.

2. Pre-budget Sessions

- 2.1. Key lines of enquiry were established in sessions held with all scrutiny committees held on –

30 November 2021	Performance, Finance and Customer Focus - Budget Preparatory Session
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6 December 2021	Health and Adult Social Care - Budget Preparatory session
6 December 2021	Education and Children's Social Care - Budget Preparatory session
10 December 2021	Brexit, Infrastructure and Legislative Change Overview and Scrutiny Committee - Budget Preparatory Session

2.2. In addition the Scrutiny Management Board met on –

- **15 December 2021** – To review key lines of enquiry resulting from the budget preparatory sessions and draft budget.
- **7 January 2021** – Informal session for final preparation ahead of the scrutiny sessions.

2.3. Following discussions with members in December and January, the budget scrutiny sessions focused on key issues within service areas as set out below.

Session and key lines of enquiry
<p>Session One – Opening of Budget Scrutiny and Plymouth City Council Financial Position</p> <p>Leader/Chief Executive and S151.</p> <p><u>Key lines of enquiry –</u></p> <ul style="list-style-type: none"> • Introduction of draft budget; • Budget engagement; • Local Government Finance settlement; • Risks and opportunities 2022/23; • Covid-19 support expectations in 2022/23; • Cost of the implementation of the manifesto commitments and the impact on the budget; • Treasury Management; • Level of precept; • Savings/income generation.
<p>Session Two - Community Services</p> <p>Councillors Mrs Pengelly / Craig McArdle / Matt Garrett.</p> <p>(Additional officers as deemed appropriate by directors)</p> <p><u>Key lines of enquiry -</u></p> <ul style="list-style-type: none"> • Homelessness and Housing

Session Three - Council Facilities and Customer Services

Councillor Deacon/ Leader and Andy Ralphs.

(Additional officers as deemed appropriate by directors)

Key lines of enquiry –

- Facilities Management and Buildings;
- Customer Service;
- Transformation.

Session Four - Health and Social Care

Adults

Councillor Nicholson /Craig McArdle/Anna Cole/Ruth Harrell.

(Additional officers as deemed appropriate by directors)

Key lines of enquiry –

- Staffing (agency and cost);
- Health and Social Care Levy – System point of view?
- Fair shares;
- Care Packages/care market management.
- Grant maximisation
- Impact of Covid on mental health issues/ costs

Children

Councillor Downie and Alison Botham and Jean Kelly.

(Additional officers as deemed appropriate by directors)

Key lines of enquiry –

- Staffing (agency and cost);
- Out of area placements;
- Fostering risk register and Recruitment of staff.

Session Five - Place

Councillors Mrs Bridgeman/Drean and Leader – Anthony Payne, Philip Robinson, David Draffan/Paul Barnard and Brendan Arnold.

(Additional officers as deemed appropriate by directors)

Key lines of enquiry -

Streets and Waste

- Waste;
- Parking;
- Public Transport;
- Areas of savings/parks/street cleaning if applicable.

Economy and Infrastructure

- Council investments;
- Impact of Covid-19 on Tourism / Cultural Spend.

Capital Programme

- Impact of increased costs on development;
- Capital Programme and affordability;
- Impact of climate emergency.

3. Background Papers

3.1. Members were provided with the following paperwork to support their review of the budget.

- Draft Budget Report 2022 – 23
- Budget Equalities Impact Assessment
- Budget Engagement 2022 - 23
- Council Tax Base and Council Tax Support Scheme 2022 - 23
- Finance Monitoring Report Month 8
- Treasury Management Strategy 2022 - 23
- Capital Financing Strategy 2022 - 23
- Capital Monitoring Report Quarter 2
- Corporate Plan Monitoring Report Quarter 2
- Risk Management Monitoring Report

3.2. In response to further requests from the Committee the following background papers were provided –

- Provisional Finance Settlement 2022/23 briefing note
- Departmental Savings Proposals
- Corporate Charging Policy
- Plymouth City Council General Fund Budget 2022/23 – Departmental Breakdowns
- Capital programme as at 31 December 2021
- List of Capital Schemes for addition to updated capital programme

4. Membership

4.1. Budget Scrutiny Committee was politically balanced and comprised the following members -

- Councillor Chris Penberthy (Chair)
- Councillor David James (Vice-Chair)
- Councillor Richard Bingley
- Councillor Jemima Laing
- Councillor Mary Aspinall
- Councillor Sue Dann
- Councillor Glenn Jordan
- Councillor David Salmon

5. Recommendations

5.1. Following the budget scrutiny session, members developed and finalised the following recommendations for Cabinet.

To Cabinet	
1.	That Cabinet Members and Officers should review the budget development process to ensure that options for closing expected budget gaps are identified during Cabinet's review of the draft budget ahead of its submission to the scrutiny function.
2.	That the ongoing costs and impact of Covid-19 continue to be reviewed through the finance monitoring process at Cabinet and regular reporting to the scrutiny function, to enable the development of an evidence base to support any requests to government for additional funding and / or flexibilities to enable us "to live with the virus".
3.	That cabinet should clarify, before council consideration of the budget The status of the Disabled Facilities Grant Contingency and mitigation measures in place to address external factors such as inflation, supply chain and workforce issues both on the Capital Programme and Revenue Budget.
4.	Approach to cyber security and how this is / will be reflecting in the Strategic Risk Register.
5.	That climate outcomes are clearly identified within the capital programme.
6.	To note the progress which has been made against the delivery of "Fair Shares" health funding and recommend that Cabinet continue to lobby for further acceleration of the redistribution
7.	That Cabinet recommend to council to apply the Adult Social Care 1% precept, but that the council should lobby for funding in future years delivered through central government grants.
8.	That Cabinet make provision in the budget for the recommendations arising from the Violence Against Women and Girls Commission.
9.	That Cabinet consider within its invest to save programme, the development of further resources / facilities specifically within Children's Social Care to manage local demand locally.
10	That through the Local Care Partnership, a Plymouth Workforce Plan for Children and Adults Health and Care Services is developed for review by the Health and Wellbeing Board.
11	The council, through its HR teams identify Mental Health First Aiders within the work force and champion the approach with public and private sector partners
To Government	

12	To lobby for multiyear settlements in respect of the Public Health Grant and for earlier announcements of grant allocations which meets local government budget timelines.
13	Recognise the investment and work which has been carried out locally in respect of homelessness but lobby government for multiyear funding for homelessness, extending beyond rough sleepers.
14	To lobby for earlier, equitable distribution of the National Insurance Health and Social Care Levy to Social Care.
15	To lobby government for a national health and social care workforce strategy.
To scrutiny	
16	Further review of the Corporate and Commercial Estate and Accommodation Strategy.
17	Further consideration of digital exclusions and the councils measures to address it.