

Scrutiny Report



Performance Scrutiny Committee - People

Part 1

Date: 15 January 2019

Subject 2019/20 Budget and Medium Term Financial Plan (MTFP)

Author Scrutiny Adviser

The following people have been invited to attend for this item:

Role / Areas of responsibility	Lead Officer
Budget Overview and Process	Meirion Rushworth, Head of Finance
Overall Budget for People Directorate	James Harris – Strategic Director - People
Service Specific Proposals:	
Education	Sarah Morgan – Chief Education Officer

Section A – Committee Guidance and Recommendations

1 Recommendations to the Committee

The Committee is asked

- (i) Consider and scrutinise the budget proposals relevant to the People Directorate;
- (ii) Determine if it wishes to make recommendations or comments to the Cabinet on the Proposals within the People Directorate;
- (iii) Determine if it wishes to make any comments on the budget process or the public engagement (to be forwarded to the Overview and Scrutiny Management Committee for consideration).

2 Context

- 2.1 In accordance with the constitution, the Cabinet is required to consult on the proposals before recommending an overall budget and required council tax to the Council for approval in March. Scrutiny Committees must be consulted as part of this process. The timetable for the consultation on the budget is as follows:

Cabinet agrees budget proposals as a basis for consultation	12 December 2018
Consultation period	13 December 2018 to 30 January 2019
Cabinet considers feedback from consultation and agrees final budget proposals for recommendation to Council	13 February 2019
Council approves the 2019/20 budget and council tax level	26 February 2019

Structure of Scrutiny of the Budget Proposals

- 2.2 Each Committee will meet to discuss the budget proposals in detail and formulate comments relating to their portfolio:

Committee	Date	Role
Performance Scrutiny Committee - Place and Corporate	14 January 2019	Savings proposals within the Place Directorate and Corporate.
Performance Scrutiny Committee - People	15 January 2019	Savings proposal within the People Directorate
Overview and Scrutiny Management Committee	31 January 2019	<ul style="list-style-type: none"> • Coordination of comments from all Scrutiny Committees • Comments on the budget process • Comments on public engagement

- 2.3 Recommendations will be agreed verbally at the Committee meetings; the final wording will be approved by the Chairperson after the meeting. These recommendations will then be sent to the Overview and Scrutiny Management Committee (OSMC) at its meeting on 31 January 2019 to confirm the list of comments that will be submitted from Scrutiny to the Cabinet. The Chair of this Committee will be invited to attend the meeting of the OSMC where the Committees recommendations are discussed.
- 2.4 The role of the Overview and Scrutiny is to coordinate the comments from Scrutiny to ensure that there are no overlaps in what is being recommended and ensure that scrutiny as a whole provides a cohesive and consistent response to Cabinet. It also has overall responsibility for comments on the budget process, and public engagement, which it will be focusing on at its meeting.
- 2.5 At its meeting on 12 December, the Cabinet agreed draft proposals for consultation. The full papers are available on the website ([Link](#)).

Appendix 1 - Budget investments

Appendix 2 - New budget savings for consultation

Appendix 3 - New budget savings implemented under delegated authority (Cabinet Member and Head of Service)

- Appendix 4** - Budget savings previously approved
- Appendix 5** - Budget savings for consultation – proposals
- Appendix 6** - Demand models – social care and education
- Appendix 7** - Fees & charges for consultation
- Appendix 8** - Financial resilience ‘snapshot’
- Appendix 9** - Medium term financial projections
- Appendix 10** - Projected earmarked reserves

Cabinet Proposals – Business Cases

- 2.6 The proposals for consultation are contained within **Appendix 2** (Summary) and **Appendix 5** (detailed business cases). Proposals relevant to the Place and Corporate Directorates have been extracted and included as appendices to this report for the Committee’s consideration.
(The numbering of these appendices has remained the same as the Cabinet report for ease of reference.)

Cabinet Member Decisions

- 2.7 **Appendix 3** are the proposals delegated to Cabinet Member and Head of Service Decision. The Cabinet member decisions will be subject to the usual democratic decision making process and all Member consultation. These proposals do not form part of the public consultation and as such are not attached to the agenda for this meeting. A hard copy is available on request.

The Head of Service decisions are operational and are taken under delegate authority by the relevant Head of Service.

Fees and Charges

- 2.8 Appendix 7 are the proposed fees and charges for consultation. A hard copy of this is available on request.

3 Information Submitted to the Committee

- 3.1 The following attachments are included for the Committee’s consideration:

- Appendix A** – Cabinet Report – 19/20 Budget and MFTP
- Appendix 2** – New Budget Savings for Consultation (summary table)
- Appendix 5** – People specific Budget Saving Proposals for Consultation

(Note – the attachment numbers have been kept the same as the Cabinet Agenda for ease of reference)

4. Suggested Areas of Focus

Role of the Committee

The role of the Committee in considering the report is to:

- **Assess and make comment** on the proposals relevant to the People Directorate in terms of:
 - How **reliable** the savings forecasts are;
 - How **achievable** the proposals are;
 - Have **risks** / impact on service users been appropriately mitigated;
 - Is there sufficient and consistent information within the Business cases to enable Cabinet to make an informed decision;
 - How does it fit into the **longer term strategic planning** and vision of the Council;
 - Has the **FEIA** have been completed and used to develop the proposal;
 - The extent to which the **Wellbeing of Future Generations Act** has been considered.

- **Conclusions:**
 - Feedback the Committees assessments of the proposals and highlight what the Cabinet need to be mindful of when taking the decision on the proposals.
 - Feedback to Overview and Scrutiny Management Committee in the process and public engagement.

Suggested Lines of Enquiry

- 4.1 Councillors have a fundamental democratic right to commission financial information and provide challenge to executives and officers about finances. Scrutiny councillors are not expected to be financial experts, but they have a key role in ensuring **accountability** and **value for money** are demonstrated to the public.
- 4.2 The following has been adapted from Section 3.1-3.4: Source: Grant Thornton – Local Government Financial Resilience Review 2012 (“Towards a tipping point?”) to provide examples of the questioning and lines of enquiry that the Committee may wish to consider:

Individual Proposals	<ul style="list-style-type: none"> • How reliable are the proposed savings? • Is there sufficient evidence within the business cases to have confidence that the proposals are achievable? • Is it clear how this proposal will be delivered and how the savings will be achieved? • Timing of the implementation – will this achieve a full year’s savings? Will anything delay implementation (such as the consultation process for any redundancies)
Links to Strategic Planning	<p>How does the proposal contribute to the achieving corporate priorities?</p> <p>How do these proposals fit into an overall budget strategy / what is the long</p>

	term approach to budget at the Council?
Assessing Impact	What is the anticipated impact of the budget proposal on: <ul style="list-style-type: none"> ○ Services ○ Performance (including performance indicators and standards) ○ Clients / services users
	If there is a risk identified, has this been appropriately mitigated? Is this clear within the business case, and is it achievable?
	How will we measure the success / impact of this proposal?
Fairness and Equalities Impact Assessments	Have these been completed?
	Have any impact identified within the FEIA been considered within the business case?

Section B – Supporting Information

5 Links to Council Policies and Priorities

- The Budget Saving Proposals and the relevant Fairness and Equality Impact Assessment should indicate its links and impact on the Corporate Plan and Wellbeing Objective commitments:

Well-being Objectives	Promote economic growth and regeneration whilst protecting the environment	Improve skills, educational outcomes & employment opportunities	Enable people to be healthy, independent & resilient	Build cohesive & sustainable communities
Corporate Plan Commitments	Thriving City	Aspirational People		Resilient Communities
Supporting Function	Modernised Council			

6 Wellbeing of Future Generation (Wales) Act

The Committees consideration of the service plans and the performance of the service areas should consider how services are maximising their contribution to the five ways of working:

5 Ways of Working	Types of Questions to consider:
<p>Long-term The importance of balancing short-term needs with the need to safeguard the ability to also meet long-term needs.</p>	What consideration have you given to the long term trends that could affect your proposal or; how could your proposal impact these trends?
	How will the needs of your service users potentially change in the future?
<p>Prevention Prevent problems occurring or getting worse.</p>	What is the objective (or the desired outcome) of this proposal?
	How are you addressing these issues to prevent a future problem?
<p>Integration Considering how public bodies' wellbeing objectives may impact upon each of the well-being goals, on their other objectives, or on the objectives of other public bodies.</p>	How have the decisions, so far, come about? What alternatives were considered?
	Are there any other organisations providing similar / complementary services?
<p>Collaboration Acting in collaboration with any other person (or different parts of the organisation itself).</p>	Have you consulted with the health board, third sector, emergency services, businesses and anyone else you think might be impacted?
	What practical steps will you take to integrate your project with existing plans and strategies of other public organisations to help us all contribute fully to the seven national well-being goals?
	Who have you been working with? Why? Who have you collaborated with in finding out more about this problem and potential solutions?
<p>Involvement The importance of involving people with an interest in achieving the well-being goals, and ensuring that those people reflect the diversity of the area which the body serves.</p>	How are you co-working with other sectors?
	How are you using the knowledge / information / good practice of others to inform / influence the Council's work?

7. Background Papers

Include all additional documents that are referenced in the report, and those that you have used as background reading.

- [The Essentials - Wellbeing of Future Generation Act \(Wales\)](#)
- [Corporate Plan](#)