

Cabinet 5 February 2018

Council 20 February 2018

**Report of the Overview and Scrutiny Management Committee on the Draft
Financial Plan Update 2018/19**

Purpose of report

1. To report to Cabinet and Full Council a summary of the main issues discussed at the meeting of the Overview and Scrutiny Management Committee held on 5 February 2018.

Background

2. The meeting of the Overview and Scrutiny Management Committee provides an opportunity for non-executive councillors to question the Cabinet Member with responsibility for Finance and the Director for Finance on the draft 2018/19 Financial Plan before it is considered at Cabinet on 6 February 2018 and Full Council on 20 February 2018.
3. The Cabinet Member for Finance, Procurement, ICT and Operational Assets, Councillor Philip Whitehead, supported by the Director of Finance, Michael Hudson, was in attendance along with the Leader of the Council, Councillor Baroness Scott of Bybrook OBE and all members of the Executive and the Corporate Leadership Team to provide clarification and answers to issues and queries raised by the Committee.
4. In addition to the draft Financial Plan update available on the website a briefing from the Cabinet Member open to all members was held on 30 January 2018.
5. Details had included:
 - Council Tax to be increased by 2.99%, plus a 3% Social Care Levy.
 - That 2018/19 would be the final year the council would receive a Revenue Support Grant from central government.
 - Details of the £25.956m savings proposed.
 - Increases in investment to protect vulnerable children and adults, with an overall increase in the budget of 1.9%.

Main issues raised during questioning and debate

6. This report is divided into sections relating to each of the Select Committee areas as budget proposals and impacts on services were discussed, before opening up to general queries.

Financial Planning Task Group

7. The report of the Task Group on the proposals was received and noted. The report would be forwarded for attention at Cabinet and Full Council along with the report of the Management Committee itself.

Health Select Committee

8. Details were sought of the £6.900m of savings that would be required within Adult Social Care in order to maintain a sustainable service with the increasing demand as detailed in the papers. It was also noted in the budget papers that with a 3% Social Care Levy taken for 2017/18 and 2018/19, there could be no levy in 2019/20.
9. It was stated in response that the transformation of Adult Social Care had now been underway for approximately 12 months, and that this would now be delivering significant savings, though at 5% of the overall Adult Social Care budget, this was not enough to cover the entirety of savings required to allow for increased investment for other aspects of the service.
10. Particular mention was made of a new reablement service that was in the process of being set up, which would seek to provide support for adults at an early stage following hospital visits avoiding further care for several years. There was also a new charging policy that would increase income, and a new 'front door' policy was being implemented to reduce the level of unnecessary council involvement for people self-funding their care, though the council would still know who was receiving care.
11. In summary, it was confirmed that the savings proposed were deliverable, though exact numbers might depend on negotiations with external providers. It was highlighted that the Chair and Vice-Chair of the Health Select Committee were both representatives on the Adult Social Care Transformation Programme Board. This presented a valuable opportunity for timely monitoring, by overview and scrutiny, of the delivery of the transformation programme and of the expected savings.

Children's Select Committee

12. A series of questions from the Chairman and Vice-Chairman of the Children's Select Committee, who were not able to be present, was presented to the Cabinet Member for response.
13. It was confirmed there would be a £0.600m increase in costs of children with Learning Disabilities transitioning into adult care, which reflected the budgetary impact this transition had.
14. It was confirmed that the £0.516m apprenticeship levy cost had now been built into the base budget, and that the same amount would be paid in 2018/19, and that £0.165m savings in Education and Skills related specifically to deletion of 2 currently vacant posts.
15. In response to other queries there was a saving of £0.035m relating to utilising an EU grant for management charges, and that a review of Youth Area Grants to achieve a saving of £0.200m would be funded from the Public Health budget.
16. It was also detailed in response to the questions that around 1% of the £1.155m that was to be saved through raising of the vacancy factor would come from Children's services. The vacancy factor, at 6%, was explained as being below the council's actual vacancy level, and would allow services to review their four-year operational workforce plans and ensure effective management.

17. Other issues raised included mention of funding for young people from central government for the National Citizens Service, and how this could be encouraged further.
18. In summary, it was confirmed the budget and proposed savings within children's services? were deliverable and would enable the council to deliver its services.

Environment Select Committee

19. Confirmation was sought around the Council's Housing budget, specifically in relation to the increase in pressure on the service as a result of the rise in individuals registered on Homes4Wiltshire, impacts arising from implementation of Universal Credit, and new regulations.
20. In response it was stated that the council was only responsible for approximately 20% of the social housing in Wiltshire, and that no budgetary concerns had been raised from the Housing Associations. It was also stated that the council house building programme was progressing, however, at present, demand was still outstripping supply.
21. In relation to Universal Credit it was stated a briefing note had been circulated on how any financial impacts might be mitigated. The Cabinet Member for Finance confirmed that Housing would be receiving additional funding of £368,000; which would help with any added pressures.
22. Details were sought on the Council's duty to combat homelessness and whether the budget was sufficient to meet this priority. The Cabinet Member for Corporate Services, Housing, Heritage, Arts and Tourism detailed that Wiltshire had relatively low levels of homelessness; for example there were 32 individuals who were classed as homeless in Wiltshire, with 10% of this figure relating to those moving through the county.
23. Clarification was also sought on the Campus Programme, and it was confirmed the £23.8m listed was the end of the monies to be available for the programme, and that the £30m leisure funding was separate to the Campus funding.

General Enquiries and Observations

24. It was noted that in order for the council to adopt a more commercial approach effectively and appropriately both officers and councillors needed the appropriate skills and knowledge, and it was stated that a commercial skillset had been a factor in the recent recruitment programme for new council Directors.
25. It was also raised that there was significant public concern regarding social care, housing, and other issues discussed, and that it was important that communicating the changing way the council was working was essential both internally to staff and to members of the public, and it was confirmed appropriate communications formed part of planning for council policy implantation.

26. Details were also sought regarding the level of council reserves and whether these were too low. It was stated in response that risks were carefully calculated and that Section 151 officers have a legal duty to set appropriate levels of reserves, which would differ from council to council, and that it was felt Wiltshire's were set appropriately.

Conclusion

27. To note the Financial Plan Update 2018/19 and to refer the comments of the Committee to Cabinet and Full Council for consideration on 6 and 20 February 2018 respectively.

Councillor Graham Wright

Chairman of the Overview and Scrutiny Management Committee

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5 February 2018