

**Cabinet
10 February 2015**

**Council
24 February 2015**

**Special Meeting of the Overview and Scrutiny Management Committee
Report on the Draft 2015-16 Budget**

Purpose of report

1. To feed back to Cabinet and Full Council a summary of the main issues discussed at the special meeting of the Overview and Scrutiny Management Committee held on 4 February 2015.

Background

2. This special meeting of the Overview and Scrutiny Management Committee provided an opportunity for non-executive councillors to question the Cabinet Member for Finance and the Associate Director for Finance on the draft 2014/15 budget before it is considered at Cabinet on 10 February 2015 and Full Council on 24 February 2015.
3. The Cabinet Member for Finance, supported by the Associate Director of Finance, gave a presentation covering the key components and influences on setting this year's budget, under the themes below:
 - I. 12 key Business Plan actions
 - II. Strategic saving proposals
 - III. Service budget summaries
 - IV. Risks
4. The key messages were as follows:
 - Council Tax frozen again (5th year) for 2015/16 despite a 13% reduction in Government Revenue grant
 - Protection of delivery in vulnerable adults and children
 - Investment in highways and waste continues
 - Safeguarding the commitment to Military Civil Integration
 - Ongoing investment in the economy, more homes and campuses
 - Despite taking out over £123m in savings in last 5 years without significant impact on frontline service performance

Main issues raised during questioning and debate

5. The Committee invited the Chair of the Financial Planning Task Group and the Select Committee Chairmen to lead off discussion, with a focus on budget proposals and their implications for services relating to their remit, before opening up to general queries.

Financial Planning Task Group

6. Details arising from the work of the Financial Planning Task Group are included at annex to this report.

Environment Select Committee

7. It was noted that charging for green waste collection, although contrary to the views expressed during public consultation, was necessary due to an unforeseen reduction in monies received from Central Government. This charge equated to a £0.800M strategic saving in order to maintain the adult care budget as originally proposed.
8. In response to a question on how the monies received via the Community Infrastructure Levy were taken into account in this year's budget, it was stated that these monies were accounted for in the capital programme on page 58 of the budget report.
9. It was confirmed that the Gypsy and Traveller communities are catered for by a specific annual budget which is matched by a grant.
10. It was confirmed that the budget for flooding protection remains the same as last year, which is a base budget of £0.500M. There is an ongoing programme of work to alleviate the risk of flooding which increases the overall budget for flooding to £1M to deliver the key projects as an investment to protect against additional highways issues.
11. It was agreed that waste disposal should be a topic that is considered by the Environment Select Committee or a subsequent Task Group; it was acknowledged that the current work of the Waste Task Group on communications may contribute to lessening the waste that goes to landfill through clear messages and a new campaign to encourage recycling.
12. A comprehensive consultation with regard to public transport, primarily bus services, will be conducted throughout the county to redesign the transport links for Wiltshire in order to build better service which offers better value and is sustainable. This will include improving links to GP surgeries and other key services and provision being made through community transport services such as Link. It is intended that the public will be educated on how much routes are costing and how they are used so that consultation responses are informed decisions. The cross-cutting nature of this work would require the joint input from all three select committees.
13. Concern was raised with regard to whether the turning off of street lights would provoke public safety concerns, as has been the case elsewhere. It was noted that this does not appear to be the case in Wiltshire and many have expressed their

support for this proposal, particularly as Wiltshire has an intelligent system which allows for strategic lights to be kept on such as at roundabouts and crossings and that emergency services are able to ensure that relevant lights are switched on as required. It was confirmed that this proposal only applied between the hours of midnight and 5:30 am.

Children's Select Committee

14. It was confirmed that the £0.403M savings identified for Integrated Youth and Prevention Services represented the remainder of the savings agreed by Cabinet in May, following the review of positive leisure time activities for young people. The savings agreed in May had represented only part-year savings.
15. It was confirmed that the £0.437M savings in School Effectiveness would not affect the council's LASER (school improvement) service. Children's Select Committee would be looking at the effectiveness of the Council's School Improvement Strategy in its first year following an invitation from the Executive.
16. It was noted that £1.283M would be invested in frontline safeguarding of children, on top of the £3.7M net invested in the last three years. The Cabinet Member reported that the £1.005M savings would be sought by reducing the numbers of out-of-county placements and finding efficiencies in the service. It was also hoped that the delivery of the Early Help Strategy would reduce the overall number of children and young people who needed to be in the care system.
17. There would be a £45.8 million investment in modernisation of housing over 4 years. It was reported that the Special Educational Needs and/or Disabilities (SEND) Task Group had raised concerns about availability of suitable housing for people with SEND. A range of projects were underway looking at how to meet the housing needs of particular groups, including those with SEND. For example, through the Corporate Parenting Panel and others, looking at schemes such as flexible tenancies and independent living with some supervision for care leavers.
18. The Music Service would be reviewed, with a saving of £0.172M, which would need to be clarified further.
19. Following a question about the £0.698M saving in Commissioning and Performance, it was confirmed that the Council would continue to invest in the County's children's centres as an important part of its Early Help Strategy.

Health Select Committee

20. It was noted that the complexity and numbers of care packages required, as demonstrated by the 100 Day Challenge, is a key test for the budget in that while the budget remains largely the same the increase in demand adds significant strain. Additional pressure is levied through the implementation of the Care Act and additional support for carers. This is estimated using a national budgeting tool and estimates on how many carers will come forward for support.

21. It was highlighted that the Public Health provision is being increasingly focussed on preventing health issues in order to create savings across the health and social care system in the long term.
22. It was confirmed that the Health Select Committee would contribute to the prevention agenda in considering the role of personal responsibility for one's health, with particular reference to health checks and screening offered by GP's. Furthermore, the Health Select Committee have agreed to undertake a piece of work on the interlinking issues of obesity and poverty in partnership with the Children's Select Committee.
23. Concern was raised regarding the alternative provision for the Hospital Bus Hopper Services at the Royal United Hospital and Great Western Hospital, in order to save £0.130M. It was expressed that this is a valuable service; however it has been observed that the service is in fact under used and misused by staff. Work is being undertaken to look at the whole patient experience, which includes travel to and from treatment; the acute hospitals are engaged in this with the option being given for them to retain the service.
24. It was noted that the voluntary sector is a vital element to providing health and social care across Wiltshire, therefore the proposed minimum 10% reductions in grants caused concern. It was highlighted that this decision had been taken with the full knowledge of the voluntary sector agencies and much officer time had been dedicated to work through the potential impacts upon them, this includes explaining that where multiple grants have previously been made, that this will now be streamlined to single grants to save on our own administrative costs. All grants will be required to contribute to a Council priority.
25. Particular reference was drawn to agencies' back office management and the fact that the reductions in grants could be recouped by more efficient management. No objections have been received regarding this decision to date.

General Enquiries and Observations

26. The disposal of council assets was raised, and it was noted this was being achieved slower than would be preferred, but that it was essential such complex disposals were done correctly.
27. The use of agency staff within the council was discussed, and it was stated this was kept to a minimum, but there would always be some necessity for agency staff, particularly with areas such as Safeguarding. The Financial Planning Task Group would be scrutinising this further.
28. Other topics raised included confirming the grant to Area Boards remained at the same level but that proportion to each Board would be calculated at a later date, the need to negotiate with town and parish councils regarding them taking on more responsibility and management of assets, and queries regarding the mental health budget

Conclusion

29. That Cabinet and Council take into account the comments from the Overview and Scrutiny Management Committee and the Financial Planning Task Group in considering the update to the Financial plan 2015/16.

Councillor Simon Killane

Chairman of the Overview and Scrutiny Management Committee

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Annex - Report of the Financial Planning Task Group

Overview and Scrutiny Management Committee

4 February 2015

Report of the Financial Planning Task Group – 3 February

Issue	Response
Budget monitoring (page 5 para 2.3 and page 6 para 3 - also see separate report to Cabinet on 10 Feb just published)	<p>Reported at period 9 as £0.900m overspend.</p> <p>This is now a downward trend due to management action and a “stop-spending” directive given to get to a balanced year end.</p> <p>However will be looked at in more detail by the Task Group due to the limited time with the report.</p>
<p>Budget setting process for 2015/16 – reasonable approach? (Page 6 para 2.6)</p> <p>Also includes</p> <ul style="list-style-type: none"> - Public consultation - Councillor briefing - Scrutiny engagement 	<p>Been a robust approach over many months involving the political and corporate leadership.</p> <p>General view that the public events have been well received and can be supplemented online.</p> <p>The councillor briefing was well attended and separating this from the scrutiny process seemed to work.</p> <p>The outcome from 3 stages of scrutiny should mean that full Council is better informed when it comes to the debate.</p>
How reliable is the information used and systems that support it?	Finance team work closely with services in building-up the picture from the information held. Cabinet Member was satisfied but happy to hear of incidents where this can be improved.
How good are our assumptions and future planning in respect of demand and costs?	Again close working between finance and services as well as applying local and national data. Will also be reviewed and adjusted moving through the year
Bridging the funding gap – reasonable approach for identifying savings?	Combination of strategic savings, corporate targets, service efficiencies and charges to make up the shortfall. Not easy – hard

	<p>decisions in some areas but linked to commitments given in the Business Plan. Will be more fully debated at the Management Committee, Cabinet and Council.</p>
<p>Level of reserves prudent?</p>	<p>Operate with a smaller “back-pocket” than some authorities! Careful ongoing management of the budget should avoid too many surprises.</p>
<p><u>Specific areas identified for review during the year by TG</u></p>	
<p>- Learning disability (page 90 in budget book)</p>	<p>Budget was rescued last year and £3m added to base for next year to better reflect costs of packages.</p> <p>A joined-up “cradle to grave” approach will make things better at the beginning with longer-term benefits. Outcome will be reflected in budget over time.</p>
<p>-Waste (page 100 - includes strategic savings)</p>	<p>Latest position showing £2.5m overspend. More homes and generating more waste are the main problems.</p> <p>Proposal to introduce green waste charges along with other measures to save £1.4m but also invest £1.6m to reflect service pressures next year</p>
<p>-Legal services (page 107)</p>	<p>Overspending on agency staff but service will be reviewed for next year.</p> <p>The Task Group will take a closer look at spend on agency, interim and consultancy staff generally. However some limitation on scrutiny’s remit when it comes to staffing matters.</p>
<p>-Procurement (page 26 para 9.7)</p>	<p>Difficult to track savings. Another £0.5m next year. New centralised approach being implemented to introduce discipline and expertise in procurement and commissioning.</p> <p>The Task Group will continue to monitor developments.</p>
<p>Borrowing on capital programme (page 20)</p>	<p>Reprogramming resulted in £1m revenue</p>

para 8.8/9)

underspend returned to general fund this year. Bigger programme next year but better management so may not see the same situation.

Councillor Glenis Ansell, Chairman of the Financial Planning Task Group

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