

SCRUTINY BOARD (STRATEGY AND RESOURCES)

MONDAY, 19TH DECEMBER, 2016

PRESENT: Councillor K Groves in the Chair

Councillors S Bentley, D Cohen, H Hayden,
J McKenna, S McKenna, D Nagle,
E Tunnicliffe, T Wilford and R Wood

46 Late Items

The following supplementary information was submitted to the Board:

- Agenda Item 8 – Strategic Commissioning: Report from the Director of Adult Social Services

The above information was not available at the time of agenda despatch, but was subsequently made available on the Council's website.

47 Declaration of Disclosable Pecuniary Interests

There were no declarations of disclosable pecuniary interests.

48 Apologies for Absence and Notification of Substitutes

Apologies for absence had been received from Councillor A Sobel.

No substitute members were in attendance.

49 Minutes - 21 November 2016

RESOLVED – That the minutes from the meeting held on 21 November 2016 be agreed as an accurate record.

50 Minutes of the Executive Board - 16 November 2016

RESOLVED – That the draft minutes of the Executive Board meeting held on 16 November 2016 be noted.

51 Strategic Commissioning - update

The Scrutiny Board received a report from the Head of Governance and Scrutiny Support setting out a summary of the Scrutiny Board's consideration of strategic commissioning to date.

The Scrutiny Board was also provided with a supplementary report from the Director of Adult Social Services.

The following were in attendance for the discussion and to address questions from the Scrutiny Board.

- Cath Roff – Director of Adult Social Services
- Mick Ward – Interim Chief Officer (Commissioning), Adult Social Services
- Sue Rumbold – Chief Officer (Partnership Development and Business Support), Children's Services
- Chris Dickinson – Head of Commissioning, Children's Services
- Sue Wynne – Chief Officer (Employment and Skills), Children's Services
- Julie Staton – Head of Commissioning, Public Health

Members of the Scrutiny Board expressed concern regarding the timeliness of the supplementary information provided and the time available to consider the information in more detail.

Following a brief discussion with the Director of Adult Social Services, the Scrutiny Board agreed to defer consideration of the item until the Scrutiny Board meeting in January 2017.

RESOLVED – To defer consideration of the item until the Scrutiny Board meeting on 16 January 2017.

52 Work Schedule (December 2016)

The Principal Scrutiny Adviser presented an outline of the Scrutiny Board's work schedule for the remainder of the municipal year 2016/17.

The Board discussed the following main areas for the course of the municipal year:

- Commissioning
- Best Council Plan

RESOLVED – That the outline work schedule be agreed, subject to any scheduling decisions necessary by the Chair.

NB – *Following consideration of this item, the meeting was adjourned at 10:15am and recommenced at 10:30am.*

53 Financial Health Monitoring

The Scrutiny Board considered the most recent Financial Health Monitoring Report (Month 7) for 2016/17, presented to the Executive Board at its meeting on 14 December 2016.

The following were in attendance:

- Alan Gay – Deputy Chief Executive

- Kevin Mulvaney – Principal Financial Manager, Strategy and Resources

The Deputy Chief Executive introduced the report, outlining the following main points:

- The budget overspend for 2016/17 had been around £4M- £5M over recent months.
- The current overspend projection was £3.9M – primarily due to demand pressures in Children's Services (Looked After Children and Transportation).
- The aim was to close the overspend gap for the 2017/18 budget setting process.

The Scrutiny Board discussed a number of matters, including:

- The current level and use of Council financial reserves.
- Vacancy management as a method for helping to deliver the Council's budget.
- Housing Revenue Account and the impact of reductions to Housing Benefit.
- Pressures on the dedicated schools grant.
- Council borrowing – including the balance between short-term and long-term loans.
- Potential budgetary pressures arising as a result of the 'Brexit' vote.

At conclusion of the discussion, and on behalf of the Scrutiny Board, the Chair thanked the officers for their attendance and contribution to the meeting, and for the continued efforts managing the Council's budget.

RESOLVED –

- (a) That the information presented be noted.
- (b) That the Scrutiny Board continues to maintain an overview of the financial health of the Council throughout the remainder of the current municipal year.

54 Initial Budget Proposals - 2017/18

The Scrutiny Board was presented with the initial budget proposals for 2017/18 for consideration and review. The initial proposals had previously been submitted to the Executive Board at its meeting on 14 December 2016.

The following were in attendance:

- Councillor James Lewis – Executive Board Member for Strategy and Resources
- Alan Gay – Deputy Chief Executive
- Kevin Mulvaney – Principal Financial Manager, Strategy and Resources

The Executive Board Member and Deputy Chief Executive introduced the report, outlining the following main points:

- The Council's level of grant funding had been largely confirmed (with the 3-year grant settlement).
- A reduction in revenue support grant from government of £28m (30%).
- A reduction in the settlement funding assessment of £25m (10.6%).
- An increase in Council tax of 1.99% together with a further 2% in respect of the Adult Social Care precept generating an additional £10.8m of local funding.
- A combination of reduced funding and cost pressures meaning the Council will need to deliver £62.4m of savings by March 2018.

It was noted that since the production of the report and meeting of the Executive Board, government announcements would provide the Council with some additional discretion and flexibility through the Adult Social Care precept (over 3 years). It was confirmed that transfers from the [New Homes Bonus](#) to further support Adult Social Care funding had also been announced; the detail of which was currently being worked through.

The Scrutiny Board discussed a number of matters, including:

- The proposed increased budget allocations for Children's Services and Adult Social Care.
- The level of Adult Social Care precept and associated spending plans.
- The cumulative (10%) reduction in Public Health funding since 2015/16.
- Assumptions within the budget proposals, specifically the Children's Services application for Department for Education 'Innovation Fund'.
- Proposed savings in relation to Young Peoples International Festival.
- The trends in 'Looked After Children' and impact on the Children's Services budget.
- Business rates and the level of appeals.
- Pensions funding and the impact of early retirements.
- The potential generation of £6M additional income through fees and charges; and the opportunity for further income generation across the Council.
- The production and use of detailed equality impact assessments when considering proposals.

At conclusion of the discussion, and on behalf of the Scrutiny Board, the Chair thanked those in attendance for their contribution to the meeting.

RESOLVED –

- (c) That the information presented be noted and further financial information be presented to future Board meetings to help inform the Scrutiny Board's:

- a. Comments on the initial 2017/18 budget proposals; and,

- b. Ongoing consideration of the Council's approach to commissioning.

55 Date and Time of Next Meeting

Monday, 16 January 2017 at 10:00am (pre-meeting for all members of the Scrutiny Board at 9:30am).

On conclusion of the discussion, the Chair thanked all members of the Scrutiny Board for their contributions and extended seasonal greetings for the forthcoming Christmas and New Year festivities.

(The meeting closed at 11:40am)